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'Mission Achieved' With 2d Missile Raid on Iraq

Clinton Plays Down Challenges by Baghdad

By Brian Knowlton
International Herald Tribune

WASHINGTON — President Bill Clinton, declaring that "our mission has been achieved" in Iraq, said Wednesday he was confident that U.S. forces in the region could control an expanded flight-exclusion zone, despite two tentative challenges by Iraqi forces.

The president, looking haggard during an Oval Office news conference, said that the U.S. missile attacks — a second wave was launched early Wednesday — had "changed the strategic situation" faced by Saddam Hussein, and he said the United States was prepared to do so again if the Iraqi ruler "violates the United Nations prohibitions."

U.S. planes, ships and a submarine have now launched a total of 44 cruise missiles against 15 Iraqi air-defense sites in the south.

The UN Security Council was meeting Wednesday to review the situation. Britain has proposed that the council condemn Iraq's incursion and demand an immediate troop withdrawal from the north. Russia said it would veto the resolution, which did not mention the U.S. missile attacks on southern Iraq.

Secretary of State Warren Christopher, meanwhile, left Washington for Europe on Wednesday for consultations with the allies.

The U.S. approach, analysts said, has been carefully designed to punish and humiliate Mr. Saddam for his recent incursion in northern Iraq, to pin his air forces down in a huge portion of the country, while making it relatively difficult for him to strike back.

"The targets were either destroyed or sufficiently damaged so that we can say our mission has been achieved," Mr. Clinton said. "That made it possible for us to implement the expanded no-fly zone today."

U.S. officials also announced that the elite Revolutionary Guard was pulling out of the northern protection zone, following its assault on an ethnic Kurdish faction based there.

Mr. Clinton did not say if further U.S. attacks were planned. The British defense secretary, in Washington, said he did not expect further operations.

Mr. Clinton also denied that there had been a U.S. or coalition attack on Baghdad, where air-raid sirens sounded Wednesday, the whoosh of surface-to-air missiles was heard and an intense burst of anti-aircraft fire was seen over the city.

Defense Secretary William Perry had earlier described two incidents he called "challenges" to U.S. forces.

A U.S. F-16 fighter jet fired Wednesday at an Iraqi radar site that had locked on to it, and at least two MiG fighter jets took to the air in what Mr. Perry said was a test of U.S. resolve in enforcing the expanded southern no-flight zone.

The Iraqi jets retreated without engaging U.S. forces.

Earlier in the day, U.S. ships and a submarine had fired a second salvo of 17 cruise missiles at Iraqi targets, continuing a policy of punishment for Mr. Saddam's recent attacks against Kurdish centers in northern Iraq.

Mr. Perry said that the day's events demonstrated that "we will take whatever actions are necessary to enforce this no-fly zone."

The F-16 was flying north of the 33d Parallel, the new northern limit of the flight-exclusion zone, when it was "illuminated" by a radar from an SA-8 air-defense system, as

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Belgians, Torn By Sex Slayings, Blame the State And Themselves

By Dean E. Murphy
The Los Angeles Times

LIEGE, Belgium — The dark circles beneath Gino Russo's heavy eyes tell the story of a father's living hell.

For more than a year, the Belgian steelworker searched the world for his 8-year-old daughter, Melissa, who disappeared one day last summer while playing with a friend in a suburb of this gritty industrial town in eastern Belgium.

Italy, Spain and the Netherlands. No Melissa. Mexico, Argentina and Brazil. No Melissa. Germany and Canada. Still no Melissa.

Several weeks ago, a despairing Mr. Russo told his wife that he had a hunch their daughter was closer to home. He was tragically right. Within a few days, the bodies of the little girl and her playmate turned up in the backyard garden of a convicted pedophile about 80 kilometers (50 miles) from here.

The sexual abuse and killing of Melissa Russo and her friend, Julie Lejeune, have turned an entire country inside out, at once uniting Belgium's disparate cultures in grief while simultaneously shattering their faith in the decency of their shared society.

"We were saying from the very beginning that Melissa and Julie were probably in Belgium," said Mr. Russo, 36, who helped distribute 10,000 posters of the missing girls in this country and abroad. "But everyone said such a thing was not possible here. We stood alone."

Melissa and Julie not only died horribly on Belgian soil, but they did so after their parents' desperate pleas for help were dismissed by the authorities and nearly everyone else. In the aftermath, practically no one in this country of 10 million, unaccustomed to such national trauma, is able to look Gino Russo straight in his eyes.

"There is a lot of rage right now over what happened to these two girls, but it comes partly from a deep sense of guilt," said Michele Hirsch, a Brussels lawyer who has handled pedophile cases. "We all feel culpable. Maybe if more of us believed like the parents did, the girls would still be alive."

Belgium is a country where scandals typically erupt from politics and its linguistic divide — the contentious line that separates Dutch-speaking Flemish provinces from the French-speaking Walloons — not from society's failure to protect its most vulnerable members. Violent crime is relatively low, and pedophilia is regarded as the scourge of sandy beaches in Southeast Asia.

But the case of Melissa and Julie has suddenly changed all that. An angry and traumatized public has forgotten its language war and vented its collective fury on the system,

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Adel Hana/The Associated Press

Mr. Netanyahu, left, shaking hands with Mr. Arafat on Wednesday at the Erez checkpoint in the Gaza Strip.

Netanyahu Clears the Air With Arafat

Israeli Will Carry Out Accords, but Fails to Agree on Hebron Pullback

Compiled by Our Staff From Dispatches

EREZ, Gaza Strip — Accepting Yasser Arafat as a peace partner, the Israeli prime minister, Benjamin Netanyahu, shook hands Wednesday with the Palestinian leader he had long shunned and reviled as a terrorist.

But the hourlong meeting at the Israel-Gaza border did not resolve any of the main sticking points: the date and scope of Israel's long-delayed troop redeployment in the West Bank city of Hebron.

An Israeli-Palestinian steering committee will begin meeting Thursday to tackle that issue and others, said Terje Larsen, the top UN official in the self-ruled West Bank and Gaza.

Mr. Netanyahu, accused by the Palestinians in the past of stalling in the peace talks, said he was ready to carry out the accords that Mr. Arafat had signed with the government of his predecessor, Shimon Peres.

The Israeli leader also said he was prepared to negotiate a final peace agreement and, in his most generous moment, said he hoped to "improve the prosperity and economic conditions of the Palestinian population."

Mr. Arafat said his meeting with the Israeli leader set the stage for progress in restarting the peace process, which has been frozen since the Israeli elections in May.

"There is no doubt that the path was cleared for us to negotiate on all levels and in all aspects," Mr. Arafat said, adding that he was ready to work with Mr. Netanyahu's government despite political differences.

A flurry of secret contacts involving Mr. Larsen of Norway preceded the talks between the two leaders. Several rounds of discussions were held to seek agreement on the wording for a future agenda.

In the end, the two sides agreed on a statement that was vague enough to satisfy both Israel and the Palestinians, especially concerning an Israeli troop pullback in Hebron.

The Netanyahu-Arafat meeting followed pressure from the United States, Egypt and the international community.

An Israeli source said the Americans had hinted that a meeting between Mr. Netanyahu and President Bill Clinton next week was linked to Mr. Netanyahu's talks with Mr. Arafat.

The message was apparently passed to Mr. Netanyahu's foreign policy adviser, Dore Gold, by the U.S. envoy, Dennis Ross, during a meeting in Paris last week.

The joint statement following the meeting Wednesday said Israel and the

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France's Coolness: Policy Differences And Personalities

Money, Too, Is Playing Its Role In Aversion to U.S. Bombing

By Craig R. Whitney
New York Times Service

PARIS — Behind France's coolness about the U.S. air strikes against Iraq are a mixture of policy differences and a once-close personal relationship between President Jacques Chirac and President Saddam Hussein.

Mr. Chirac and his conservative government refused again Wednesday to endorse the attacks on Iraqi air defenses, making France appear once more, as it long did before he became president last year, as the most difficult of NATO allies.

"They haven't come right out and been openly critical and have avoided making this look like a serious split," a U.S. diplomat said. He was grateful for that much, at least, before

NEWS ANALYSIS

a visit to Paris on Thursday by Secretary of State Warren Christopher.

[The U.S. secretary of defense, William Perry, said Wednesday that "I fully expect the French to continue participation in the coalition" against Iraq, Agence France-Presse reported from Washington.]

Mr. Christopher planned long ago to come here this week to talk to Mr. Chirac and other officials not about the Middle East but about Bosnia, NATO expansion and other sensitive issues in which French cooperation is vital to U.S. policy.

What he will hear about the bombing is criticism muted by French understanding for what they believe to be the real reason behind it — President Bill Clinton's need to look strong in the eyes of voters in November.

Mr. Chirac has not publicly said anything about the U.S. decision to strike against Iraq, but other French officials have said that the use of force seemed excessive.

In their view, no United Nations resolution since the war in the Gulf more than five years ago barred Iraq from sending ground troops north on its own territory, and they accept the Iraqi explanation that it did so at the written request of one of two warring Kurdish factions in the area, the Kurdistan Democratic Party led by Massoud Barzani.

That, at least, is the technical explanation for the cool French reaction, but little in France is ever what it appears to be on the surface.

France has been trying to regain the considerable leverage among the Arab states of the Middle East that it lost to the United States during the Gulf War.

Mr. Chirac, though a good friend of the United States and of President Clinton, caused considerable American irritation last spring by insisting on sending his foreign minister, Herve de Charette, to Lebanon, after Israel moved against the Hezbollah guerrillas there, to help arrange a cease-fire. At the same time, Mr. Christopher was moving back and forth on the

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Battle Forces Foreigners To Flee Burundi Capital

Compiled by Our Staff From Dispatches

BUJUMBURA, Burundi — A U.S. Air Force C-141 that landed in Bujumbura on Wednesday morning to fly Americans and other foreign nationals out of Burundi took off for Nairobi as renewed fighting between government troops and Hutu rebels flared to the east of the capital.

The Burundi Army was using two helicopter gunships and mortars to repel the rebels in some of the fiercest fighting since a July 25 coup. The rebels lobbed three mortar shells into the capital Tuesday and fired rifles into the air from surrounding hills to show the Tutsi residents of Bujumbura that they could come down any time, according to a rebel spokesman.

Tanzania forbade the plane to use its air space because of regional sanctions against Burundi. Its course to Kenya would take it through Rwandan and Ugandan air space, an officer of Burundi's border and air police told Agence France-Presse.

The U.S. ambassador, Morris Hughes, said earlier that the passengers would have to pay for the flight and declared that it was not an evacuation mission.

The ambassador said the plane was carrying 31 passengers, including two embassy staff, three other American nationals and five foreigners normally resident in the United States.

Others came from Belgium, Britain, France, India, Pakistan, South Africa and Tanzania, he said.

Burundi's president, Sylvestre Ntibantunganya, a Hutu, took refuge in the American ambassador's residence at the end of July as Major Pierre Buyoya, a former head of state who is Tutsi, seized power in a bloodless putsch. Mr. Ntibantunganya did not board the plane Wednesday.

Since the coup, Burundi's neighbors have imposed an economic embargo to force Major Buyoya to negotiate with the Hutu rebels to end an ethnic civil war that has claimed an estimated 150,000 lives in the last three years.

The sanctions cut off landlocked Burundi from the rest of the world, with commercial flights banned and borders sealed.

Mr. Hughes said American nationals

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Newsstand Prices

Andorra	10.00 FF	Lebanon	LL 3,000
Antilles	12.50 FF	Morocco	16 Dh
Cameroon	1,600 CFA	Qatar	10.00 Riels
Egypt	£E 5	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10.00 R.
Gabon	1100 CFA	Senegal	1,100 CFA
Greece	350 Dr.	Spain	225 PTAS
Italy	2,800 Lire	Tunisia	1,250 Din
Ivory Coast	1,250 CFA	U.A.E.	10.00 Dirh
Jordan	1.250 JD	U.S. Mil. (Eur.)	$1.20

Tomasz Tomaszewski/The New York Times

Piotr Gruszczynski, a deputy director at a Warsaw ad agency, reflecting on his career, which has thrived since the collapse of communism.

Polish Yuppies Hit Jackpot

Influx of Foreign Companies Galvanizes Jobs Market

By Jane Perlez
New York Times Service

WARSAW — When 31-year-old Radek Gronet returned to his homeland four years ago after working in a Chicago law firm, he found an explosive job market hungry for his youth and skills and appreciative of his American-accented English.

He joined the legal department of Coopers & Lybrand's office here, a respectable enough niche, but stayed only a year. Since then, Mr. Gronet has jumped jobs twice, accruing prestige by keeping to U.S.-based firms and more than quintupling his salary.

"When I did the calculus, it was obvious to me I'd have more advantage in Poland than staying in the United States," said Mr. Gronet, who is settling into his new position as a lawyer at PepsiCo here after completing two years as an associate in the Warsaw office of Hunton & Williams, a law firm based in Richmond.

His new salary does not equal in dollar terms what his American counterparts would get — though it probably does in buying power. PepsiCo is paying him more than the $4,000 a month he earned at Hunton & Williams, and he gets a company car as well. He will soon be going on vacation in Italy, and he has just taken out a mortgage for a fancy duplex apartment.

Mr. Gronet's experience, though not representative of the overall labor market in Poland, is hardly unique. When

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AGENDA

Dow Jones	Trib Index
Up 8.51	Up 0.34%
5656.90	136.23

The Dollar

New York	Wed. close	previous close
DM	1.4805	1.485
Pound	1.5672	1.5666
Yen	108.785	109.275
FF	5.0755	5.0805

Openness on Yeltsin's Health Vowed

MOSCOW (NYT) — Asked about the health of President Boris Yeltsin, his chief of staff, Anatoli Chubais, on Wednesday acknowledged for the first time there was a problem.

Mr. Yeltsin, he said, was fine. But Mr. Chubais conceded that the Kremlin had mishandled growing skepticism about the 65-year-old Russian president's condition. He refused to describe Mr. Yeltsin's symptoms, but promised that a "new information policy" would be unveiled within the next few days.

Mr. Yeltsin, who was hospitalized twice last year for heart trouble, has not appeared in public since he took the oath of office on Aug. 9, looking ill and unsteady.

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AT&T True Choice

Anti-American Book / **Just Saying No to the West**

Former Chinese Rebels Find a New Cause

By Patrick E. Tyler
New York Times Service

BEIJING — To describe his feelings toward America, Zhang Xiaobo, 32, a poet, author and onetime pro-democracy rebel, told a reporter from a state-run press agency recently: "I admire some things American. When we were students, we yearned for American novels and movies."

He was explaining why he and four of his comrades have written a book called "The China That Can Say No," an almost instant best-seller this summer that sailed through Chinese censors and has won expressions of admiration from Communist Party officials all the way up to President Jiang Zemin.

"But today," Mr. Zhang was saying, winding up for one of the uppercuts he delivered through this friendly interview, "we find that country rather disgusting. The Chinese people should have a sense of their own identity."

This is the season in which China is saying no to the United States — over improving China's human rights record, trade issues and global agreements to stanch the flow of high technology and sophisticated weapons to rogue states.

So, Communist Party leaders seem to be celebrating the appearance of the book that Mr. Zhang and his colleagues wrote in just three weeks to popularize — or cash in on — a wave of anti-Western nationalism.

The book's five authors acknowledge a certain lack of knowledge about the issues. Their book is not so much political analysis as a handbook for anti-American and anti-British slogans, conspiracy theories and satire.

"Some people abroad said we did this book because we are manipulated by the government, or for commercial purpose, or that we are terrorists," Mr. Zhang said recently, sitting in a small Beijing hotel convenient to his fruit stands — his main source of income before he turned social commentator.

"This is very unjust," Mr. Zhang continued. "Our views may be radical, but they are from the heart."

"What is important," interjected Song Qiang, one of the co-authors, "is not that the book is being used by the government, but what lesson the United States could draw from the public mood of China."

What lesson? he was asked.

"Don't think that the Chinese youth appreciate the sanctions by the United States against China," Mr. Song replied. "You cannot divorce the individual from the state and when you hurt the Chinese government, you hurt the Chinese people."

AT A TIME when drinking Coke, smoking Marlboros and eating at McDonald's is high fashion among Chinese youth, many now also have an "attitude" toward the United States. Seven years after the 1989 Tiananmen massacre, Chinese young people may still be unhappy with their own government, but with no available outlet for political expression, they are channeling their energy, and their frustrations, in other directions.

Sport has become a national obsession. Sport and pride in China's athletes have unified the Chinese, despite deep political wounds that otherwise divide Chinese society.

Su Shaozhi, one of the leading democratic thinkers within the Communist Party in the 1980s, who now lives in exile in the United States, observed, "In mainland China and other leading post-Communist socialist countries, Marxism-Leninism has become a sham ideology causing a crisis of faith." Thus, he added, "it is a common phenomenon that nationalists are taking advantage of this weak spot."

Writing a review of the book in the dissident newsletter China Focus, Mr. Su said: "Though sales of this book have been considerable, it has not really caused a stir among intellectuals. Rather, I would say that this book became popular overseas because foreign leaders paid more attention to it."

In the book, Western countries are portrayed as stifling China's emergence as a great power, interfering in China's internal affairs over Taiwan and Tibet and practicing a repugnant brand of moral superiority in human rights.

In one example, they assert that the CIA, in contravention to the White House, is supporting "separatists" on Taiwan who support independence to provoke a military confrontation with China. The goal, they say, is "to make any action by China condemned by the world as a threat to regional and world peace."

"When I read that book, it makes me feel good," said a young Chinese office worker named Wang Yanhong, through she conceded that she found much of the logic "a little confusing." The book idea may have been borrowed from a Japanese assault on the United States a few years ago titled "The Japan That Can Say No," written by the former chairman of Sony Corp., Akio Morita, and Shintaro Ishihara, a legislator. Both books could be called "grievance literature," tapping a layer of Asian xenophobia, nationalism and, in China's case, a deep youthful patriotism. Mr. Zhang took part as a 22-year-old in the democracy demonstrations that briefly broke out in 1986. Now he has concluded that China's democracy movements were "a blind alley," and he has become "ambivalent" about the United States.

When he recently found himself face to face with the British journalist Jasper Becker, who asked in an interview why it was wrong for foreign governments to put pressure on China to make it comply with international standards, Mr. Zhang fired back: "Britain sold opium to China and waged the Opium Wars against China. That was a great infringement on Chinese human rights. Yet I have never heard of any apologies being made by your government."

THE BOOK complements the strategy of today's Communist Party leaders. To shore up their own legitimacy, they travel the country, expressing deep concern for the welfare of the people.

Justified or not, America is blamed for things like the International Olympic Committee's decision to reject Beijing's bid to be host to the 2000 Olympic Games and the World Trade Organization's insistence that China take down its market barriers as a condition for admission.

In the political season that is opening as Deng Xiaoping, the paramount leader, fades from the scene, party stalwarts would like Western leaders to ease their demands for concessions, which they fear would open them to the charge that they are "appeasing" foreigners.

Stoking youthful nationalism has become a refuge for these leaders, a place from which to warn foreigners that pressure will backfire by offending the patriotic sensibilities of China's youth.

Patrick E. Tyler/The New York Times

Song Qiang, left, and Zhang Xiaobo, co-authors of an anti-American best-seller that has the approval of the Chinese government. Speaking of the United States, Mr. Zhang said that he once admired American culture: 'When we were students, we yearned for American novels and movies. But today, we find that country rather disgusting. The Chinese people should have a sense of their own identity.'

Argentina Moves to Pay Tortured Businessman

By Tim Golden
New York Times Service

SAN FRANCISCO — Trying to avoid becoming the first foreign government to be tried in the United States for human rights abuses committed in its own country, Argentina has tentatively agreed to a large monetary settlement for a businessman who was tortured and forced into exile under the country's former military government, people familiar with the case have said.

A federal judge in Los Angeles, Robert Takasugi, agreed to postpone the trial until Sept. 12 while negotiations continued between lawyers for the businessman, Jose Siderman, 85, and the Argentine government.

Representatives of both sides said they had agreed not to comment on the details of their talks.

But a senior aide to President Carlos Saul Menem of Argentina made it clear that the government had abandoned the adversarial stance that its officials have taken toward Mr. Siderman since he was forced from the country after the military seized power on March 24, 1976.

"From the point of view of the values of civilization and from the point of view of the values of a democratic Argentina, I have no doubt that the road we have taken is the correct one," the president's chief legal adviser, Rodolfo Diaz, said in a telephone interview from Buenos Aires.

Mr. Diaz, solicitor-general of the Treasury, declined to say how much money the government might pay Mr. Siderman. He was suing for the loss of businesses and properties he valued at $26.4 million and for compensation for the suffering that he and his family endured.

But two people familiar with the case said that two senior Argentine officials who flew to Los Angeles last weekend made it clear that they were ready to pay an amount in the millions of dollars.

In an exploratory conversation earlier this year, lawyers for Mr. Siderman told Argentina's representatives that they wanted $7.5 million to settle the case, according to one of Mr. Siderman's lawyers, Michael Bayzler.

The case arrived for trial in U.S. District Court on Tuesday after 14 years of jurisdictional battles in which Argentina steadfastly argued that the U.S. legal system had no right to judge its treatment of the Siderman family, including assertions of torture.

The Ninth U.S. Circuit Court of Appeals ultimately ruled that Argentina implicitly waived its immunity when the military government asked the Los Angeles County Superior Court in 1981 to forward notice of a suit it filed against him, alleging that he falsified a land title.

That suit and other charges against Mr. Siderman were dropped after the military gave up power in 1983.

The appeals court also set aside the protections Argentina would normally have had from the Sidermans' property claims under the Foreign Sovereign Immunities Act. The ruling was based on the fact that one of the businesses the family lost, a hotel in their home province, Tucuman, did business with U.S. credit-card companies and others in the United States.

Argentina has paid compensation in the past to some victims of the so-called Dirty War it fought against those who were considered subversives. It has also taken steps to indemnify Argentines imprisoned under the military regime, who include President Menem himself.

Mr. Diaz said there was no question that the years Mr. Menem spent in jail had influenced the government's position in the Siderman case.

"On that March 24, at the same moment that Siderman was detained, I was also detained," Mr. Diaz said.

"And at the same moment that Siderman and I were detained, President Menem was detained. We understand this viscerally."

Prime Time: 378,632 Digits In a Number

The Associated Press

EAGAN, Minnesota — Computer scientists crunching numbers at the outer limits of numeration say they have stumbled onto the largest-known prime number.

Primes are whole numbers, such as 3, 5, 17, 23, that are evenly divisible only by one and themselves. This one, at 378,632 digits, would fill up 12 newspaper pages in standard type.

Mathematicians would express the number as two to the 1,257,787th power minus one. To work it out, take 2, multiply it by itself 1,257,786 times, and subtract one.

A Cray Research team discovered this largest prime number while testing one of the company's latest supercomputers in Chippewa Falls, Wisconsin.

The Greek mathematician Euclid proved that there is an infinite number of primes, but they do not occur in a predictable sequence and there is no formula for generating them.

"Finding these special numbers is a true 'needle in a haystack' exercise, but we improve our odds by using tremendously fast computers and a clever program," said David Slowinski, a Cray scientist.

Mr. Slowinski and a fellow researcher, Paul Gage, developed the program, which is used as a quality assurance test on supercomputer systems, that found the number.

Apart from testing supercomputers and fascinating mathematicians, large prime numbers are used extensively in cryptography.

TRAVEL UPDATE

Storm Heads for U.S.

MIAMI (AP) — The hurricane designated Fran skirted the Bahamas and threatened to strengthen Wednesday as it headed for the U.S. mainland. South Carolina declared a state of emergency and the space shuttle was hauled away from its exposed launching pad.

A hurricane watch, already in effect from north of Sebastian Inlet in central Florida to Little River Inlet, South Carolina, was extended northward to North Carolina's Oregon Inlet, the National Hurricane Center said. The storm had sustained winds of 115 miles (180 kilometers) per hour.

The governor of South Carolina, David Beasley, stopped short of ordering evacuations but did urge people to leave the state's low-lying barrier islands and beachfront areas.

Avoiding Louvre Lines

PARIS (AFP) — Visitors wanting to see exhibitions or the permanent collection at the Louvre museum in Paris can avoid lines by buying their entrance tickets in advance.

Starting Sept. 1, tickets have been available at specialist outlets for an extra four French francs (80 U.S. cents).

A group of 149 tourists stranded aboard a German cruise ship that ran aground near King William Island in Canada's Northwest Passage last Thursday will be evacuated, the ship's Hamburg operator said. *(Reuters)*

Bombs damaged a state employment agency and a bar in Corsica overnight, but caused no injuries, officials said Wednesday. *(Reuters)*

Yugoslavia recorded a total of 1.7 million tourists from January to July this year, 8 percent fewer than in the same period last year, the Yugoslav statistics office said. Yugoslavia includes Serbia and Montenegro. *(Reuters)*

Iberia Air Lines said it plans to cash in on European Union air travel liberalization next spring by flying between Germany and Scandinavia. All EU-based airlines will be able to fly between any EU member states starting in April 1997. *(Reuters)*

Singapore's airport is the most secure in Asia, while Manila's has the worst security, according to a poll carried out by the Hong Kong-based Far Eastern Economic Review and Asia Business News. *(AFP)*

Meningitis Toll At 17 in Romania

The Associated Press

BUCHAREST — Three more people have died of meningitis in Romania, raising the death toll from the disease to 17 in two weeks, the Health Ministry said Wednesday.

The ministry said that 320 people had contracted the disease by Wednesday, most of them in Bucharest, the capital. The latest three to die of it, on Tuesday, were over 64 years old, the ministry statement said.

The disease broke out in early August and reportedly was caused by a virus transmitted through infected food or water.

The virus is believed to have come from Cyprus, where more than 300 people have been hospitalized with the disease in the last two months.

Doctors warned the population through the media to avoid suspect sources of food, to boil tap water before drinking it and to seek medical help if they suspect meningitis symptoms.

Meningitis is an acute inflammation of the membranes covering the brain and can be caused by bacteria or viruses. Symptoms include fever, delirium and convulsions and can end with brain damage, paralysis and death.

WEATHER

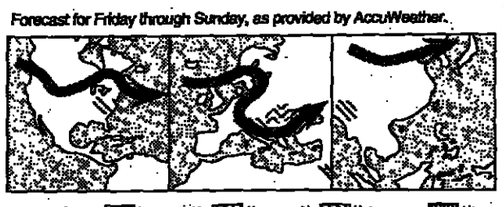
Europe

	Today High	Today Low	W	Tomorrow High	Tomorrow Low	W
	C/F	C/F		C/F	C/F	
Algarve	22/71	13/55	pc	22/71	13/55	s
Amsterdam	21/70	10/50	s	17/62	9/48	s
Ankara	25/77	9/48	c	24/75	8/46	c
Athens	28/82	19/66	s	27/80	19/66	s
Barcelona	29/71	16/61	r	23/73	16/61	pc
Belgrade	20/68	11/52	r	19/66	4/39	pc
Berlin	17/62	8/46	pc	13/55	8/46	sh
Brussels	22/71	11/52	s	19/66	9/48	s
Budapest	22/71	11/52	t	14/57	7/44	sh
Copenhagen	18/61	7/44	s	16/61	7/44	pc
Costa Del Sol	24/75	16/61	c	25/77	14/57	s
Dublin	20/68	12/53	s	19/66	12/53	pc
Edinburgh	20/68	9/48	pc	18/66	11/52	s
Florence	23/73	13/55	pc	21/70	9/48	pc
Frankfurt	17/62	9/48	pc	14/57	7/44	sh
Geneva	25/77	6/46	s	23/73	6/43	s
Helsinki	12/53	3/37	pc	13/55	5/41	pc
Istanbul	24/75	18/61	pc	23/73	15/59	pc
Las Palmas	28/79	23/73	c	27/80	22/71	pc
Lisbon	21/70	12/53	s	19/66	11/52	pc
London	22/71	12/53	s	21/70	11/52	s
Madrid	24/75	11/52	pc	26/79	9/48	s
Mallorca	21/70	18/64	r	22/71	17/62	pc
Milan	24/75	12/53	pc	22/71	6/43	s
Moscow	21/70	14/57	pc	19/66	14/57	sh
Munich	18/64	4/39	pc	13/55	4/39	r
Nice	24/75	17/62	pc	23/73	14/57	s
Oslo	15/59	6/43	s	16/61	7/44	pc
Paris	24/75	11/52	s	22/71	9/48	s
Prague	17/62	5/41	pc	13/55	4/39	r
Reykjavik	12/53	6/46	r	12/53	7/44	r
Rome	23/73	14/57	pc	23/73	11/52	t
St. Petersburg	14/57	8/46	pc	15/59	6/46	c
Stockholm	12/53	5/41	pc	12/53	6/43	pc
Strasbourg	23/73	10/50	s	21/70	6/43	s
Tallinn	12/53	3/37	pc	13/55	5/43	pc
Venice	22/71	11/52	pc	18/64	7/44	pc
Vienna	19/64	7/44	r	13/55	6/43	sh
Warsaw	18/64	6/43	pc	15/59	8/46	r
Zurich	23/73	9/48	pc	18/64	6/43	s

Middle East

Abu Dhabi	39/102	27/80	s	39/100	28/76	s
Beirut	28/82	22/71	s	32/90	23/73	s
Cairo	39/102	23/73	s	42/107	24/75	s
Damascus	32/89	14/57	s	35/97	17/62	s
Jerusalem	29/84	18/61	s	33/91	17/62	s
Luxor	41/106	23/73	s	43/109	24/75	s
Riyadh	41/106	25/77	s	42/107	22/71	s

Forecast for Friday through Sunday, as provided by AccuWeather.



Jetstream — Unseasonably Cold — Unseasonably Hot — Heavy Rain — Heavy Snow

North America
Hurricane Fran will most likely impact the southeastern coast by early Friday with damaging winds, high surf and coastal flooding. The storm may continue inland with flooding rains possible from the Carolinas into the central Appalachians. Sunny and warm in the central Plains.

Europe
Comfortable across England, most of France and the Low Countries with some sun Friday into Sunday. Turning much cooler across central and southwestern Europe from Poland and southern Germany to Greece and Turkey. Heavy rains are likely from eastern Austria through the Balkans.

Asia
Beijing will be comfortable with some sun Friday and Saturday, but a front may bring showers Sunday. Tokyo and Seoul will be partly sunny and dry much of the time, but southern Japan will have showers. Soaking rains will return to south-central China, eastern Tibet and northern Myanmar.

North America

	Today High	Today Low	W	Tomorrow High	Tomorrow Low	W
	C/F	C/F		C/F	C/F	
Anchorage	13/55	4/39	s	13/55	7/44	r
Atlanta	31/88	19/66	pc	28/82	21/70	sh
Boston	29/84	19/66	pc	27/80	19/66	pc
Chicago	30/86	19/66	s	29/84	19/66	pc
Dallas	33/91	21/70	s	33/91	23/73	pc
Denver	30/86	13/55	s	27/80	11/52	pc
Detroit	29/84	18/64	pc	29/84	19/66	pc
Honolulu	31/88	23/73	pc	32/89	23/73	pc
Houston	33/91	24/75	pc	32/89	21/70	pc
Los Angeles	27/80	19/64	pc	31/88	14/57	s
Miami	32/89	24/75	s	33/91	27/80	pc
Minneapolis	30/86	19/66	pc	27/80	16/61	pc
Montreal	28/82	16/61	s	26/79	19/64	s
Nassau	33/91	29/79	t	33/91	25/77	pc
New York	29/84	21/70	c	29/84	19/66	pc
Orlando	33/91	24/75	s	34/93	24/75	pc
Phoenix	37/99	27/80	t	38/100	24/75	t
San Fran.	23/73	13/55	pc	22/71	12/53	pc
Seattle	19/66	10/50	c	20/68	10/50	pc
Toronto	28/82	17/62	pc	29/84	16/61	pc
Vancouver	19/64	10/50	c	18/64	9/48	pc
Washington	27/80	20/68	t	27/80	20/68	sh

Asia

	Today High	Today Low	W	Tomorrow High	Tomorrow Low	W
	C/F	C/F		C/F	C/F	
Bali	31/88	21/70	pc	31/88	22/71	s
Bangkok	33/91	24/75	t	32/89	24/75	t
Beijing	27/80	16/64	pc	29/84	19/66	pc
Bombay	29/84	24/75	c	29/84	24/75	t
Calcutta	31/88	24/75	t	30/86	24/75	r
Chiang Mai	34/93	22/71	t	33/91	22/71	t
Colombo	28/82	24/75	t	28/82	24/75	t
Hanoi	32/89	25/77	pc	30/86	25/77	pc
Ho Chi Minh	32/89	24/75	c	32/89	23/73	t
Hong Kong	29/84	24/75	pc	28/82	24/75	pc
Islamabad	41/106	24/75	s	40/104	26/79	s
Jakarta	31/88	23/73	pc	31/88	23/73	pc
Karachi	31/88	23/73	s	32/89	24/75	s
K. Lumpur	31/88	23/73	t	31/88	23/73	t
K. Kinabalu	30/86	22/71	t	30/86	23/73	t
Manila	31/88	23/73	t	30/86	23/73	pc
New Delhi	31/88	24/75	t	32/89	24/75	s
Phnom Penh	31/88	24/75	t	31/88	24/75	c
Phuket	33/91	24/75	t	32/89	24/75	t
Rangoon	33/91	24/75	t	33/91	24/75	t
Seoul	27/80	16/61	pc	28/82	17/62	pc
Shanghai	29/84	23/73	pc	28/82	23/73	pc
Singapore	30/86	22/71	t	30/86	22/71	t
Taipei	28/82	25/77	r	29/84	24/75	sh
Tokyo	25/77	20/68	r	25/77	21/70	pc
Vientiane	31/88	24/75	pc	30/86	24/75	pc

Africa

Algiers	28/82	18/61	pc	30/86	18/61	s
Cape Town	15/61	4/39	r	12/53	7/44	pc
Casablanca	23/71	17/62	c	23/71	15/61	c
Harare	20/68	15/59	r	26/79	13/53	c
Lagos	28/82	22/71	pc	28/82	23/73	c
Nairobi	23/73	11/52	c	23/73	11/52	pc
Tunis	29/84	17/62	pc	28/82	18/64	pc

Latin America

Buenos Aires	12/53	-1/31	s	14/57	2/35	s
Caracas	32/89	25/77	pc	32/89	25/77	pc
Lima	18/64	14/57	c	19/66	15/59	pc
Mexico City	21/70	13/55	c	24/75	13/55	pc
Rio de Janeiro	21/70	19/66	r	20/68	19/61	r
Santiago	18/64	1/34	s	18/64	2/35	pc

Oceania

Auckland	17/62	9/48	c	16/61	9/48	pc
Sydney	21/70	9/48	pc	17/62	8/46	s

Legends: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Hzy, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1996

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Aruba Ω	800-8870	Germany +	0130-0013	Monaco +	19◆0087	Syrian Arab Republic ++	0888
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Australia (Telstra)	1-800-881-877	Greece +	008-001-411	Netherlands Antilles + (Curacao & Bonaire)+	001-800-745-1111	Thailand	001-999-13-877
Austria +	022-903-014	Guam	950-1366	New Zealand	0-800-760-877	Turkey +	00-800-1-4477
Bahamas +	1-800-389-2777	Guatemala +	195	Nicaragua (Managua)	171	Ukraine	8-108-15
Bahrain	800-777	Honduras ▲	121	Nicaragua (all other)	02-171	United Arab Emirates +	800-131
Barbados ++	1-800-534-0042	Hong Kong	800-1877	Norway +	800-19877	United Kingdom (BT)	0800-89-0877
Belgium +	0800-10014	Hungary +	00◆800-01-877	Palau +	02-222	United Kingdom (Mercury)	0500-89-0877
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Belize (all other) ◇	812	India +	000-137	Paraguay ▲	008-12-800	U.S.A.	1-800-877-8000
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British Virgin Islands	1-800-877-8000	Israel +	177-102-2727	Philippines (PLDT)	105-16	Vietnam (calling centers)	1201-1111
Bulgaria ▲	00-800-1010	Italy +	172-1877	Poland +	00-800-111-2115		
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Cayman Islands	1-800-366-4663	Jamaica Ω	5	Puerto Rico	1-800-877-8000		
Chile	00◆0317	Japan (IDC) +	0066-55-877	Qatar	0800-01-777		
China +	108-13	Japan (KDD) +	0039-131	Romania +	01-800-0877		
Colombia	980-13-0010	Jordan	18-800-777	Russia (Moscow) +	155-6122		
Costa Rica +	0800-013-0123	Kenya ★	0800-12	Russia (all other) +	8095-155-6133		
Croatia +	99-385-0013	Korea (Dacom) +	0039-13	St. Lucia ◇★	1-800-277-7468		
Cyprus ++	080-900-01	Korea (KT) +◆◆	009-16	Saipan (Tinian & Rota) +	1-235-0333		
Czech Republic +	0042-087-187	Korea (Dacom) +‡	550-2425	Saipan (all other)	235-0333		
Denmark +	800-1-0877	Korea (KT) +‡	550-2663	San Marino +	172-1877		
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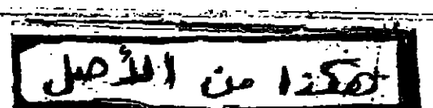

THE AMERICAS

Swing Voters in This California Town Seem Not to Swing to Dole's Tune

By Richard L. Berke
New York Times Service

MORENO VALLEY, California — If the 1996 presidential election is to be fought out in bedroom communities like this home to endless housing developments — and some of the most independent-minded voters in America — there is worrisome news for Bob Dole.

Many women, even those who have long backed Republicans, are furious at the party and its nominee for their positions on social issues. And while the economic recovery has passed Moreno Valley by, voters tend not to blame President Bill Clinton.

Overall, voters here are deeply unenthusiastic about their choices.

"It's depressing to me that in a party of 40 million the best they could come up with is Bob Dole," said Jeff Barnes, 42, who referred to the approximate vote for George Bush in 1992.

Like many other Republicans interviewed, Mr. Barnes, who works for a land management company, said the only thing that would stop him from abandoning his party is the presence of Jack Kemp on the ticket, although he acknowledged, "I know the vice president doesn't have a whole lot of importance in policy."

As for Mr. Dole's plan for a 15 percent across-the-board tax cut? "It's politics, and I don't think it's really feasible," he said.

With no deep political roots, voters in this sprawl of stucco homes 75 miles (120 kilometers) east of Los Angeles are among the most sought after by the parties. In 1992, voters here helped propel Bill Clinton to the White House; four years earlier, they overwhelmingly backed George Bush.

But based on dozens of random interviews here on Labor Day, it appears that as Mr. Dole starts his final nine-week push against Mr. Clinton, he faces a formidable challenge if he is to persuade the swing voters of Moreno Valley to swing his way.

The attitudes toward Mr. Clinton among the voters have clearly softened since March 1995, when the Republican takeover of Congress was fresh on people's minds. In interviews at that time, voters were politically tortured: even Democrats expressed great hostility toward Mr. Clinton, and many voters were suspicious of the new House speaker, Newt Gingrich.

But now, voters in this community, which grew up in the 1980s from an expanse of orange groves and scrub land, seem far more comfortable with Mr. Clinton. Concerns about Mr. Gingrich also seem to have receded, perhaps because he has stayed out of the spotlight in recent months.

Yet the lack of enthusiasm about Mr. Dole was striking; even most Republicans who said they would vote for him said they would do so out of party loyalty — or because they liked Mr. Kemp.

Steve Thornburgh, a 42-year-old special education teacher, said he would "vote my party" for Mr. Dole, "but I'm more pleased with Kemp — he's a little broader in his views." Asked about Mr. Dole's tax-cut plan, he blurted: "I'll believe it when I see it. It's campaign stuff."

Two themes that spell trouble for Mr. Dole emerged again and again: The annoyance of most women interviewed about the Republican Party platform, despite Mr. Dole's efforts to leave the platform behind, particularly his call for tolerance on abortion, and the indifference, or opposition, to Mr. Dole's economic prescriptions.

Certainly, the economy has taken a turn for the worse in this once-booming community of 130,000, partly because of drastic military cutbacks. Yet even as they lamented the shuttered stores at the Moreno Valley Mall, virtually every person interviewed, including staunch Republicans, dismissed as a political ploy Mr. Dole's plan to lift the economy with a tax cut.

"Dole wants to give money back to the people to the point where it's going to hurt us," said Patty Marcus, a 40-year-old nurse who backed Mr. Bush in 1988 and 1992 but now plans to vote for Mr. Clinton.

Jane Richey, 72, a retired interior designer, said that last year she switched her registration from Republican to Democrat: "I had been a Republican all my life, but the Republicans are just in outer space — 50 years back in time," she said. "Regardless if you like Dole, I hate the Republican platform."

Consciously or not, Jerry Alendarez, 30, repeated the train metaphor that Mr. Clinton has harped on relentlessly since the train trip that carried him to the Democratic convention in Chicago last week.

"A lot of stuff he promised hasn't trickled down to us, but at least he's on the right track," said Mr. Alendarez, a Democrat who teaches business at a local high school. "We're safe. There's not a lot of turmoil in the economy."

Anti-Drug Messages Move Beyond Potshots

By Roberto Suro
Washington Post Service

WASHINGTON — On June 11, Bob Dole ended 28 years in the Senate with an impassioned farewell speech that recalled nutrition programs, reform of the Social Security retirement program and other proud legislative achievements. But he said nothing about the war on drugs — a subject that preoccupied Congress for years and that now fills Mr. Dole's campaign speeches almost daily.

Since the Republican convention three weeks ago, Mr. Dole has repeatedly accused President Bill Clinton of permitting drug usage to skyrocket among the young and has proposed new interdiction and enforcement efforts. Mr. Clinton has responded by pointing to declining crime rates as proof of his administration's overall success on law enforcement issues and has challenged Mr. Dole's record.

Aides in both campaigns said they expect this thrust and parry over drugs to develop into a major battle, and both sides are now broadcasting television ads that try to out-tough each other.

Mr. Dole and Mr. Clinton come to the contest with mixed records on anti-drug matters, according to law enforcement experts. But the battle is as much about perceptions of the candidates' moral character as about who has done the most to fight drugs or will in the future.

Mr. Dole especially has tried to broaden the complaint against Mr. Clinton's leadership. In his acceptance speech in San Diego, the Republican linked drug use to an overall breakdown in societal values that could be traced to a White House populated by "a core of the elite who never grew up, never did anything real, never sacrificed, never suffered, never learned."

Kenneth Sharpe, a professor of political science at Swarthmore College, said Mr. Dole was "using the drug issue to link Clinton to the whole 60s counterculture, Vietnam-protester, didn't-inhale imagery." Mr. Dole has chastised Mr. Clinton almost daily for failing to use the presidential "bully pulpit" to fight drug use as prominently as Ronald Reagan and George Bush did before him.

A review of Mr. Dole's legislative record, however, shows he shepherded several drug bills as a party leader, but the only initiative for which he claimed personal authorship was a 1986 proposal for a voluntary income tax check-off to pay for anti-drug programs. The proposal never received serious consideration.

Clinton campaign aides also argue that Mr. Dole rarely spoke of the drug issue when he had his own bully pulpit as a highly visible congressional leader.

One of the sharpest exchanges between the two campaigns so far has been over the White House drug policy office. Mr. Dole's television ads remind viewers that Mr. Clinton made drastic cuts in the office's staff, while Mr. Clinton's ads recall that Mr. Dole voted against the creation of the office.

The idea of the drug office was originally promoted by congressional Democrats, and Mr. Dole opposed it at the behest of the Reagan administration, which argued that anti-drug efforts should be left to existing federal agencies. The office was voted into existence in 1988, with Mr. Dole's backing, when Mr. Reagan was leaving office.

"Clinton has clearly been leery of the 'soft on crime' critique from the beginning," said David D. Cole, a professor of law at Georgetown University, "to the point that on some issues, like the death penalty, he is closer to the Republicans than to many congressional Democrats."

As Mr. Clinton has a solid record on other crime issues, Mr. Sharpe said, "Dole has zeroed in on drugs as Clinton's vulnerability in this area."

Mr. Sharpe said the president has left himself vulnerable to Republican attacks by reducing some interdiction efforts and putting greater emphasis on treatment programs and efforts to halt the production of drug crops overseas. Moreover, Mr. Sharpe said Mr. Clinton did not speak out as often on the issue as his Republican predecessors.

Some on the White House staff had such a recent history of drug use that a testing program was created to satisfy Secret Service concerns about security clearances. Mr. Dole has promised nothing like that would happen in his administration, although his campaign does not require its employees to reveal prior drug use and has only an "unwritten zero tolerance policy" toward current drug use, according to Christina Martin, the campaign's deputy press secretary.

But the Dole campaign has found perhaps its most potent political symbol in several recent studies showing that the use of drugs, primarily marijuana, has more than doubled among adolescents since 1992, the year of Mr. Clinton's election. Mr. Duke said, "Not surprisingly, Dole is trying to blame Clinton for the teenagers, and Clinton is trying to take credit for the lower crime rate."

Gary Gaynor/The Associated Press

RACING TO SAVE A LIFE — Rescuers leaving an underpass in central Tucson, Arizona, with a boy who was trapped in a car stalled in flooding from a thunderstorm. He was revived and in guarded condition.

Away From Politics

• **The FBI said it would shift 500 agents to investigate domestic and international terrorism after it found itself stretched thin by high-profile cases.** The agency's counterterrorism unit is investigating the truck bombing of a U.S. Air Force barracks in Saudi Arabia, the crash of TWA Flight 800 and the bombing at the Olympics park in Atlanta. The FBI has more than 10,000 agents. The number working on terrorism only is classified. *(Reuters)*

• **Treatment with both chemotherapy and radiation** almost triples the number of lung cancer patients who live five years or longer, when compared with those receiving only radiation, according to a study published in the Journal of the National Cancer Institute. *(AP)*

• **Using part of a University of California student fee** for health insurance that covers abortions does not violate the religious freedom of students who oppose the procedure, a federal appeals court has ruled. *(AP)*

ELECTION NOTES

Whitewater Figure, in Court, Found in Contempt of Court

LITTLE ROCK, Arkansas — A judge declared President Bill Clinton's convicted former business partner to be in contempt of court Wednesday for refusing to answer questions before a grand jury investigating the affair.

The judge said that if the partner, Susan McDougal, did not talk to the grand jury by Monday morning, she would be jailed until she talks or the grand jury disbands — in any case no longer than 18 months.

"Mrs. McDougal is exercising what she says is her right to silence without good cause," U.S. District Judge Susan Webber Wright said. "She is in contempt."

On Tuesday, Judge Wright ordered Mrs. McDougal to talk to the grand jury investigating Bill and Hillary Rodham Clinton's Arkansas business deals.

In a statement read in court, Mrs. McDougal said she should not have to answer questions of a personal or private nature before the grand jury and believes she should not be compelled to answer questions from lawyers without having her lawyer present.

"Some of her arguments are interesting but they're not the law," the judge said.

Judge Wright said she was not intending to punish Mrs. McDougal but trying to compel her to testify in the interest of justice. The judge delayed a decision on whether any time Mrs. McDougal might serve on the contempt charge would count against a two-year prison term Mrs. McDougal received for four felony Whitewater convictions.

Mrs. McDougal and her ex-husband, James, were partners with the Clintons in the Whitewater land development in northern Arkansas. Both were convicted in May on felony fraud counts brought by the Whitewater prosecutor. *(AP)*

Reagan to Be Reimbursed $562,000 in Legal Costs

WASHINGTON — Taxpayers will pay former President Ronald Reagan more than $562,000 to cover the legal expenses he incurred during an independent-counsel investigation into the Iran-contra affair, a panel of federal judges has announced.

Mr. Reagan's attorneys, led by Theodore Olson, initially asked for nearly $754,500. But the panel refused to pay the expenses Mr. Reagan incurred preparing for the final report of the independent counsel, Lawrence Walsh.

Under the independent-counsel law, government officials who are subjects of an investigation but not indicted are entitled to reimbursement for "reasonable" attorneys fees and expenses they incurred during the probe.

In all, the judicial panel said Mr. Reagan's lawyers will receive $562,111. *(WP)*

Prostitute Lets Republicans Off the Hook in Scandal

NEW YORK — The high-priced call girl whose allegations forced the White House political adviser Dick Morris to resign says the Republicans had nothing to do with her decision to go public.

In an interview scheduled for broadcast on the syndicated television program "Hard Copy," Sherry Rowlands was asked if the Republicans or their presidential candidate, Bob Dole, had any connection to the story.

"None at all," she replied. "The only person in the world I knew politically was Dick Morris. Who do you call? I mean," she added, "you don't go in the phone book and look up Bob Dole." *(AP)*

Quote/Unquote

Jack Kemp, the Republican vice presidential candidate, telling a Chicago audience he had not abandoned his position on affirmative action: "I'm for affirmative action if it is the type of government effort to remove the barriers to people taking part in the type of access to credit, capital, housing, ownership, marriages, jobs and education that are absolutely essential." *(NYT)*

Everglades Spring a Surprise: Cleaner Water

By William Booth
Washington Post Service

MIAMI — For the first time in years, the managers who monitor the health of the Everglades, one of the greatest and most imperiled marshlands on Earth, have some good news to report: The water is cleaner.

Farmers, most often viewed as environmental villains, appear to have improved the quality of the water running off their land and entering the Everglades ecosystem.

A report by the South Florida Water Management District indicates farmers have achieved a 68 percent reduction in the amount of phosphorus fertilizer discharged from their fields. Previously, many farmers argued that even a 25 percent reduction would bankrupt them.

Phosphorus, used as a fertilizer on sugar and vegetable farms, is the chemical scourge of the Everglades, where it upsets the delicate balance and encourages an invasion of exotic pests and plants, such as cattails, which have choked thousands of acres of marshland. "We think it's good news," said Samuel Poole, executive director of the South Florida Water Management District, speaking of the phosphorus reduction. "But we're not out of the woods yet."

That is the ultimate understatement. In the Everglades, perhaps the nation's supreme environmental battleground, nothing is simple. And everything is political.

The restoration of the Everglades, which seeks to undo decades of human encroachment and meddling, may eventually take 20 years and $3 billion to complete. Plans for the restoration include not only forcing farmers to clean up their dirty runoff, but also the creation of at least 40,000 acres (16,188 hectares) — an area the size of Miami and Fort Lauderdale combined — of so-called filtering marshes that would clean the farm water even further.

In addition to the challenges of water quality, the Army Corps of Engineers is planning to work on the entire system of canals and pumps, altering water quantity to try to return a more natural flow of water to the Everglades.

Yet ever so slowly, it appears progress is being made and the combatants — the sugar growers, environmentalists, water managers, bureaucrats, taxpayers and scientists — are moving toward consensus and results.

"I think we're finally making some progress," said Ron Jones, an Everglades expert and director of the Southeast Environmental Research Program at Florida International University.

Not only are the farms producing what appears to be cleaner water, but the first experimental filtering marsh is also operating better than expected.

Moreover, the scientists are moving ever closer to what aficionados of Everglades restoration call "the Number," the exact amount of phosphorus — measured in the parts per billion, or ppb — that the glades can absorb without biological disruption.

"Now I can suggest the number might be around 10 ppb and not be crucified," Mr. Jones said. "It's amazing what's happened over the last six months."

When reports of phosphorus reduction emerged, the region's powerful and politically connected sugar growers, who farm about 80 percent of the agricultural lands north of the Everglades, seized on the report as proof that, for a change, they were the good guys.

"Farmers want the Everglades to be healthy and vibrant," said Bob Buker, vice president of U.S. Sugar. "Cleaning up the Everglades is a moral requirement. But so is staying in business."

The farmers are required to employ techniques to clean up their field runoff called Best Management Practices.

Among the techniques are using new "smart farming" equipment to apply phosphorus fertilizers in narrow bands directly on the roots; leveling their fields; employing sediment traps and pumping water in more environmentally benign ways. This the farmers are doing.

Citing the 68 percent reduction in phosphorus, the sugar growers and their allies are launching another offensive against a proposed "penny a pound" tax on all sugar grown in the Everglades Agricultural Area. The money would be used to purchase land and construct filtering marshes. The sugar farmers say it will bankrupt them and cost tens of thousands of jobs.

Environmentalists have won tentative approval to put the penny-a-pound tax measure before Florida voters in November. The ballot is before the Florida Supreme Court.

The sugar growers argue it is unfair to tax them when they are reducing phosphorus runoff and while they are already committed to spending more than $220 million on Everglades restoration.

U.S. Calls On Allies to Promote Cuban Democracy

Compiled by Our Staff From Dispatches

BRUSSELS — The special envoy appointed to sell America's anti-Cuba trade laws to the rest of the world called Wednesday for U.S. allies to join "a first, genuine, multinational effort" to bring democracy to Havana.

The envoy, Stuart Eizenstat, said he was not trying to justify the Helms-Burton Act but rather to coordinate and focus international opposition to the Castro government.

"What I am asking for," he said, "is more effort, more willingness, more desire to bring democracy to what is the last truly oppressive regime in the Western Hemisphere."

Mr. Eizenstat was in Belgium to outline new U.S. proposals to the European Union, which — along with Canada and Mexico — has led the opposition to the new law. The proposals are aimed at coordination of governmental and private-sector activity to ensure that aid and assistance to Cuba helps the people rather than the government.

Among other things, the law allows Americans to sue in U.S. courts foreign companies that have benefited from investments made in property confiscated by Havana since the Cuban revolution of 1959.

The practical implications of this provision have been suspended until next year. Mr. Eizenstat said the suspension would be extended if allies joined U.S. efforts to isolate Cuba.

Increasing pressure on Washington, Latin American and Caribbean leaders prepared Wednesday to conclude a two-day meeting in Cochabamba, Bolivia, with a declaration stating "vehement refusal" of the Helms-Burton Act as a violation of international law.

Presidents and representatives of the 14-country Group of Rio were expected due to sign the declaration. *(Reuters, AFP)*

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ASIA/PACIFIC

Rao, Out but Not Down, Retains Political Clout in India

By John F. Burns
New York Times Service

NEW DELHI — Four months ago, as votes were being counted in a general election, Indians thought they were watching the political burial of P. V. Narasimha Rao, prime minister for five years.

Mr. Rao's Congress Party turned in its worst election performance ever, taking less than a third of the popular vote and a less than a quarter of the parliamentary seats. For only the third time in nearly 50 years since India's independence, the Congress Party was out of power and Mr. Rao's weak campaign performance, coupled with corruption scandals in his government, was widely held to blame.

Many Indians said it was only a matter of time before Mr. Rao, 75, went to jail for his role in what was being widely described as the most corrupt government in India's modern history.

But far from fading away, Mr. Rao has given the impression in recent weeks that he, more than his successor as prime minister, H. D. Deve Gowda, is the real power in India.

More than once, he has warned that he will pull down the new government if it threatens the Congress Party's interests, a phrase that Mr. Rao's critics have interpreted as meaning Mr. Rao's own political well-being. "We don't want the Congress to be destroyed," Mr. Rao has said.

Mr. Deve Gowda, increasingly beleaguered as head of a fractious, 13-party coalition of regional parties and Communists, has been harshly criticized for his frequent visits to Mr. Rao's bungalow a few blocks from the prime minister's residence and for what have appeared to be his efforts to help Mr. Rao escape bribery and kickback prosecutions that have already snared 12 of Mr. Rao's former ministers.

Mr. Deve Gowda's minority government needs the votes of the 136 Congress Party members of Parliament to survive.

But the dependence is mutual, since Mr. Rao has at least as great a need for Mr. Deve Gowda's support to resist pressures from investigators looking into the corruption scandals.

Mr. Deve Gowda appears to have gone at least some way toward accommodating Mr. Rao, although associates of the new prime minister say he wavers between saving Mr. Rao and standing aside in the hope that a new Congress leader would be more pliable.

Mr. Rao has been indicted in an alleged $100,000 payoff by an Indian businessman, based in Britain, in a kickback inquiry going back to 1983, and he is under investigation in a case involving more than $1 million in bribes paid to four opposition legislators who saved the Rao government in a confidence vote in 1993.

His son, P. V. Prabhakar Rao, has been questioned as a suspected beneficiary of kickbacks in 1995 from a $38 million government fertilizer contract with a Turkish company that took the full sum in advance and never delivered any fertilizer. The younger Rao has also been linked to payoffs from a $33 billion plan, now in disarray, to rebuild India's creaky telephone system.

Newspaper commentaries and editorials have focused on what many have called the degrading spectacle of a political movement that produced leaders like Mohandas Gandhi and Jawaharlal Nehru being dragged down.

"Narasimha Rao represents the Congress's political decay in its most advanced, putrefied form," wrote Praful Bidwai, a columnist in Frontline, a weekly news magazine. "He can only take the Congress — and of course himself — deeper into the morass."

Mr. Rao has refused demands that he resign as Congress leader, hinting that other party leaders will go down with him. In interviews with the Times of India, he has said he knew nothing of illegal dealings by his family.

As for accusations that he enriched himself, he replied, "All that I can tell you is that I have not in any way lowered the prestige" of the position of Congress leader.

But many Indians say that Mr. Rao is at the end of a burning fuse. Although the Deve Gowda government has helped delay the corruption inquiries, its room for maneuver is limited by India's Supreme Court, which has pressed for indictments.

Last month, the court rebuked Joginder Singh, the official whom Mr. Deve Gowda appointed in July to head the government's main investigative agency, the Central Bureau of Investigation, after it emerged that Mr. Singh had met privately with Mr. Rao to discuss the inquiries.

A move to give Mr. Rao the rank of cabinet minister in recognition of his years as prime minister — and the protection of a rule that no minister can be prosecuted without the prime minister's permission — misfired when details leaked to newspapers.

Most threatening of all, the scandal involving the plan to use foreign capital and technology to rebuild the country's telephone system, adding 10 million phones in the next five years, erupted two weeks ago with a raid on two houses occupied by Mr. Rao's communications minister, Sukh Ram, in which the police seized Indian and foreign currency valued at more than $1 million.

Japanese Visit DMZ Village, Setting Off Protest Rally

Agence France-Presse

PANMUNJOM, Korea — A Japanese admiral made a trip to the tense Korean border Wednesday as demonstrators staged a rally in Seoul against the first postwar visit by the Japanese Navy.

Dozens of demonstrators shouting "Go home" and waving anti-Japanese banners burned a mock ship outside the Japanese Embassy. The protesters included several elderly women who had been forced to work as sex slaves for Japanese soldiers during World War II.

The demonstration coincided with the trip by Rear Admiral Michio Yamada and 73 Japanese naval cadets and officers, all in civilian clothes, to the truce village in the heavily armed demilitarized zone separating North and South Korea.

On Tuesday, Admiral Yamada and his officers met with South Korean military leaders and paid homage at the national cemetery in Seoul, where Korean War dead and anti-Japanese fighters are buried.

In Seoul, the protesters said in a statement, "We are shocked at such trips by Japanese soldiers to our sacred cemetery as well as Panmunjom, the focal point of national division caused by Japan." They added that the two countries cannot build "real friendship as long as Japan remains insincere and unrepentant for its past."

It was the first visit to Panmunjom by a Japanese fleet commander since the Korean War, which broke out in 1950, five years after Korea's liberation from Japanese occupation.

North Korean soldiers looked on "politely," allowing Admiral Yamada and his group to look around Panmunjom before a tour party from their side did so, a UN spokesman said.

"I had fresh feelings here about the importance of security in northeast Asia," Admiral Yamada said. His visit to Panmunjom was part of a five-day port call by a 4,059-ton Japanese training ship, the Kashima, and her escort vessel, the Sawayuki, which arrived Monday in the southern port of Pusan to both brass bands and protests.

The port call, at the end of a five-month Pacific training voyage, is in line with an agreement reached between Japan and South Korea in April 1994.

Kim Jae-Hwan/Agence France-Presse

Admiral Yamada, right, being escorted Wednesday by Major James F. Laufenberg of the United States on his visit to Panmunjom, Korea.

Hong Kong's Chief Judge Faces Pressure to Resign

Critics See Political Candidacy as Conflict

Reuters

HONG KONG — Hong Kong's chief judge came under intense pressure Wednesday to quit the judiciary after announcing a bid to become the territory's leader after Britain hands back the colony to China in 1997.

Politicians and legal specialists said the declaration on Tuesday by the chief justice, Sir Ti Liang Yang, that he would be a candidate had created a conflict of interest and raised a question about his role in the British-style judiciary. Critics say that Sir Ti Liang cannot be chief judge and a politician at the same time and should step down before any formal nomination.

"It is important to give people the confidence that Hong Kong's judiciary is independent," said Martin Lee, leader of the colony' biggest political party, the Democratic Party.

Sir Ti Liang avoided comment on the suggestions that he should resign, telling a Hong Kong television station he wanted to consult public opinion first.

"Whether I should resign is not a question for me, but rather for the executive, for society and the government, for the Chinese side, and for the public," he said. "What are their views on this?"

But resignation calls came even from some politicians in the pro-Beijing camp.

One of these, Tsang Yok-sing, said Sir Ti Liang should resign as top judge but welcomed his bid to become chief executive under Chinese rule, saying it was good to have more candidates, and especially one who was "politically neutral and without any business connections."

Still, "he should consider stepping down from his position as chief justice," Mr. Tsang said in an interview with Hong Kong radio from Beijing. "That should happen as early as possible. It will be seen by the public, by people in the legal profession, that there may be a conflict of interests."

Nihal Jayawickrama, a law professor at Hong Kong University, said Sir Ti Liang had a right to run for the leadership, but having entered politics he should now resign.

"It's not possible for him to hold the office of chief justice any longer," the professor said. "It's quite incompatible."

Now that Sir Ti Liang has declared his candidacy, with a pro-Beijing publisher, Xu Simin, pledging to nominate him, the leadership stakes have been injected with a new element of competition.

Lo Tak-shing, a lawyer and former Hong Kong cabinet member, is also seeking the post.

Others talked of as candidates include Anson Chan, chief secretary for Governor Chris Patten, and Tung Chee-hwa, a shipping tycoon.

A 400-member committee that will choose the leader and the new legislature is gradually taking shape.

Sir Ti Liang, widely seen as a neutral, independent figure because of his judicial career and as a possible compromise candidate, has said he will resign as chief justice if formally nominated.

But the earliest Mr. Xu can formally propose the nomination is when the committee is constituted in November.

Beijing Asserts Its Military Muscle Is Defensive, Not a Threat to Asia

Reuters

BEIJING — Prime Minister Li Peng said Wednesday that China would not use its growing clout to threaten other states.

Beijing's military might was for defensive needs and would not be used against its neighbors, Mr. Li told an international gathering on world economic and political trends in the 21st century.

"As China develops it will not threaten other states," Mr. Li said. "China does not engage in military expansionism. China's military strength is entirely of a defensive nature."

The prime minister said that Beijing was pursuing a policy of fostering long-term economic growth and that this required an international climate of stability. China has enjoyed double digit economic growth since 1991.

Mr. Li did not refer to disputes with Tokyo over the Diaoyu Islands, know by the Japanese as the Senkakus, or mention frictions with Southeast Asian nations over the Spratly Islands in the South China Sea.

There was also no mention of China's military exercises and missile tests off Taiwan's coast earlier this year, when Beijing was widely seen as attempting to interfere in the island's first direct presidential election.

Taiwan, Mr. Li said, should be recovered peacefully under the "one country, two systems" formula, which Beijing says it will apply toward the British colony of Hong Kong after it reverts to Chinese rule on July 1.

ASEAN Forum Agrees to Curb Smut on the Internet

Reuters

SINGAPORE — Southeast Asian broadcasters and officials agreed Wednesday to police the Internet and block off sites that run material counter to Asian values.

A statement issued at the close of the three-day Internet forum in Singapore, sponsored by the Association of South East Asian Nations, also said the West needed to understand Asian concerns about the Internet.

It said the meeting "affirmed the importance of having safeguards against easy access to sites which ran counter to our cherished values, traditions and culture."

"ASEAN would encourage other nations, especially the West, to understand its concern," it added.

But the statement suggested there was no agreement on a uniform approach to policing the Internet, saying the ASEAN officials had agreed that regulatory frameworks would depend on each country.

The Association of South East Asian Nations groups Brunei, Malaysia, Singapore, Indonesia, the Philippines, Thailand and Vietnam.

Earlier this year, ASEAN information ministers met in Singapore to discuss the darker side of the information technology revolution and agreed to set up a regulatory body to oversee the Internet.

They said their chief concerns were smut in cyberspace and information on the Net that could worsen religious and racial tensions in their countries.

At the close of the forum, the officials agreed that government and industry regulations were important, but parental supervision also played an important role, the statement said. The officials added that they would continue to meet "to help each country formulate and fine tune its regulatory approaches."

Mother Teresa Expected Out of Hospital by Weekend

Compiled by Our Staff From Dispatches

CALCUTTA — Mother Teresa, who spent several days in intensive care late last month, is fit and cheerful and is likely to leave the hospital by this weekend, her doctors said Wednesday.

Dr. S.K. Sen, medical director at Woodlands Nursing Home in Calcutta, said: "We stopped antibiotics yesterday and she does not have any fever. By this weekend, she will be at her home."

"Now we can tell that she is out of danger," Dr. Sen said. Mother Teresa, the 86-year-old Nobel peace laureate noted for her work with the poor and destitute, was taken to the hospital Aug. 20 suffering from malaria and mild pneumonia. She then suffered heart failure while in intensive care.

Dr. Sen said that the condition of the Roman Catholic missionary was stable and that her chest infection was under control.

Dr. Sen quoted Mother Teresa as saying, "I am fit and the doctor says I am O.K. I must return to my home, and I have lot of things to do there."

Mother Teresa's heartbeat continues to be irregular, but is not a cause for worry, Dr. Sen said. He added that said Mother Teresa was allowed to walk a bit in her room, but she mostly spends the time in bed, praying or talking with sisters from her Missionaries of Charity.

She had a heart attack in 1983. Six years later, a second heart attack left her with a pacemaker. *(Reuters, AP)*

BRIEFLY ASIA

Group in Pacific Reinstates France

MAJURO, Marshall Islands — South Pacific nations made peace with France on Wednesday, ending a 30-year battle over French nuclear testing in the region by agreeing to renew a dialogue with Paris.

The decision by regional leaders at the first South Pacific Forum summit meeting since the final French test in January was welcomed by the French government. The Foreign Ministry spokesman, Jacques Rummelhardt, said the move would enable France to resume full dialogue in the region.

The government of President Jacques Chirac resumed nuclear testing at Mururoa Atoll in French Polynesia and conducted tests while the 1995 forum met at Madang, Papua New Guinea. That forum expressed "extreme outrage," ejecting France from a post-meeting session and suspending its "dialogue" status. *(AFP)*

Building Collapse Kills 17 in Bombay

BOMBAY — Rescue workers searching through the debris of a building that collapsed here in the heart of India's commercial capital found 11 more bodies Wednesday, taking the death toll to 17, fire brigade officials said.

A fire brigade spokesman said the number of injured remained at 10 on Wednesday, a day after the three-story office and residential building collapsed.

Residents said the building, which housed offices and residences, was more than 40 years old. *(Reuters)*

Seoul to Charge 6 Chinese in Mutiny

SEOUL — South Korean prosecutors are set to bring homicide charges against six Chinese who are accused of killing 11 Korean and Indonesian seamen last month in a mutiny on a fishing boat in the South Pacific, reports said Wednesday.

The police will turn over the six mutineers, all ethnic Koreans from China, to prosecutors Thursday for indictment on charges of homicide, violence, robbery and illegal disposal of bodies, the Yonhap news agency said. *(AFP)*

Burma Dissident Gets 7 More Years

RANGOON — Burma's military government added seven extra years to double the jail term for Win Htein, the assistant to the opposition leader Daw Aung San Suu Kyi, a party official said Wednesday.

The official, from Daw Aung San Suu Kyi's National League for Democracy, said he did not know the reason for the extension. Mr. Win Htein had been accused of "malicious acts." *(Reuters)*

VOICES From Asia

Qiao Shi, chairman of the standing committee of China's National People's Congress, conceding that laws to protect individual rights are often ignored by officials: "The neglect of law, and even overriding laws with administrative power, is relatively serious in some localities and departments. In some cases, some laws are not carried out well." *(AFP)*

Jim Bolger, prime minister of New Zealand, explaining the decision by the South Pacific Forum to renew its dialogue with Paris, which ended nuclear testing in the region in January: "It is not a question of forgiving France, it's to acknowledge that France has stopped, which is why the forum has taken its decision." *(AFP)*

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EUROPE

Intimidation Weakens Elections in Bosnia

By Mike O'Connor
New York Times Service

MOSTAR, Bosnia-Herzegovina — The legitimacy of Bosnia's national elections, scheduled in two weeks, is being undermined by the continued intimidation of opposition parties and the ineffectual response of the international organization responsible for overseeing the vote, according to foreign monitors and Western diplomats.

Democratic elections were to be the centerpiece of efforts by the United States and other countries to help overcome ethnic division and to allow the withdrawal of forces, led by NATO, that were deployed to enforce the peace accord.

But, while officials of the Organization for Security and Cooperation in Europe, the group organizing the elections, press on with preparations, the growing number of complaints about their refusal to address the intimidation of opposition candidates may result in an election that is so disputed that it produces more controversy than stability.

In Mostar, the political capital of the area controlled by the nationalist Bosnian Croat party, some foreign officials say fear has virtually silenced the opposition. Two opposition leaders are under the protection of foreign police officers and another fled with his family after he was beaten in public.

"Any moderate who speaks out can reasonably expect a bullet in the back of the head," said Sir Martin Garrod, the European Union's special envoy here.

Yet, international officials involved in the elections have vastly different perceptions of the same political climate.

The head of the election office for this region said he saw no serious problems for opposition groups.

"I can recall no concrete evidence that someone has been harassed or threatened," said Wolfgang Odendahl. He added that he found it curious that moderate opposition parties, which he thought might attract considerable support, were doing little campaigning.

According to foreign diplomats and many staff members, the Organization for Security and Cooperation in Europe is reluctant to use its broad powers against the nationalist ruling parties for fear that the parties will respond by obstructing the elections.

"The ruling parties are the government in the places they control," said a senior staff member. "They provide the election workers, they provide the local officials. If they stop cooperating, it would hamstring us in carrying out our No. 1 mission, which is to have elections that at least look technically correct."

The difficulties with the dominant parties were underscored last month when the organization announced it had found extensive irregularities in voter registration. The organization then postponed municipal elections, where it said the problems with registration would be felt most directly.

It said the elections for a national Parliament and the three-member presidency as well as for leaders of two regional entities — one Serbian and the other Muslim-Croatian — could go ahead.

Many diplomats and United Nations officials say the organization, which has never conducted an election before, seems overwhelmed by the technical aspects of the complex Bosnian vote.

A human rights monitor for the organization said evidence of political intimidation was often ignored. "We could find hundreds of cases, but they just can't absorb the problem," he said. "And they don't want to hear about it. Their job is to make an election."

One of the organization's election administrators, John Reid, called such criticism unfair. But the organization has given little protection to Bosnian Serb opposition candidates, those candidates and UN officials said.

Many running for office in the opposition have reportedly been harassed or attacked by groups directed by the authorities and the dominant Bosnian Serb political party.

Acknowledging the widespread intimidation, Mr. Reid said it was the responsibility of these parties and government officials to ensure that the elections are democratic.

"We have little power here," he said.

However, other officials in the organization contend it could be far more forceful if the countries that control the organization, including the United States, wanted it to be.

They said they could easily punish dominant parties by fining them and banning their candidates from the ballot.

Rikard Larma/The Associated Press

A girl in Sarajevo waving a flag during practice for the opening ceremony of a track and field meet next week to show that the city is safe.

Hostility to Pope's Visit Rouses Secular France

The Associated Press

PARIS — Past papal visits to France inspired barely stifled yawns. Many French, it sometimes seems, would give God himself a Gallic shrug.

But as Pope John Paul II prepares for his fifth visit, apathy has given way to growing hostility. The pontiff, who for years has tried to coax "the eldest daughter of the church" out of her indifference, may have roused a dozing giant.

Leftist activists are protesting government financing of the Sept. 19-22 visit. Hundreds of disillusioned Roman Catholics are renouncing their baptisms. Thousands more, angry over the punishment of a popular renegade bishop, plan to simply sit this one out.

This week, a crude homemade bomb was discovered in a church where the Pope will make one of his first stops. In the St. Laurent-sur-Sevre basilica in western France, police found an inscription in Latin and French: "In the name of the Pope, boom."

"The Pope is passé," said Jean Gilbert, an ex-Catholic lawyer in his 40s. "I finally excommunicated myself. You can hardly blame people for their civil disobedience."

France is 80 percent Catholic, but less than 15 percent practice their religion. At Notre Dame and other cathedrals, tourists far outnumber worshipers.

Past papal Masses in France have drawn tens of thousands of people; in other countries, hundreds of thousands flock to see the Pope.

The French, fiercely independent and proudly secular, clashed with the Vatican long ago over bans on women priests, artificial birth control and abortion. But the resentment runs deeper than that, even among the faithful.

Lately, it has infiltrated the flock in a way that was not apparent on John Paul's four other visits since 1980.

Anger is simmering in France over the 1995 dismissal of Jacques Gaillot, a liberal bishop who lost his diocese northwest of Paris after preaching for years against Vatican policies on homosexuality, priest celibacy and other touchy issues. Bishop Gaillot remains immensely popular in France.

This summer, scores of disaffected Catholics began writing and telephoning their local dioceses to demand that their names be stricken from baptismal rolls.

"I told them I don't believe in the church or in this Pope, and that I'm no longer a child of God," said Patrice Salvy, a farmer's wife from Chanay.

Only 6 million of France's 45 million baptized Catholics regularly attend Mass, according to the French bishops' conference. Involvement in cults and sects, meanwhile, is growing at an unprecedented rate.

"It's incredible," conceded Monsignor Bernard la Goutte. "The avalanche coming down on us."

"It's a little sad, really," he said. "The church isn't the world's gendarme, and it can't solve all the world's problems."

At almost all of the Pope's stops, opponents have sued to block city officials from spending taxpayers' money to underwrite the visit.

"We're not against the Pope's visit," said Andre Fitamant, an activist from Finistere, in Brittany. "But public subsidies clash with the law, which since 1905 has decreed a separation between church and state."

BRIEFLY EUROPE

France to Stop Time Changes

PARIS — France is to stop changing its clocks twice a year, Prime Minister Alain Juppe's office announced Wednesday.

"The biennial change in the time is less and less understood by our fellow citizens and is of no economic interest," he wrote to a member of Parliament who serves on a commission studying the matter.

France must decide when the present practice will end and whether it will remain one hour ahead of Greenwich Mean Time, as it now is in winter, or two hours ahead, as in summer, Mr. Juppe's aides said. *(Reuters)*

Ukraine Role Vital, Kohl Says

KIEV — Chancellor Helmut Kohl of Germany said Wednesday that the stability and independence of Ukraine were vital for the rest of Europe, and he sought to allay Russian fears about NATO's plans to expand.

"Stability in Ukraine means stability in Europe. Ukraine needs Europe and Europe needs Ukraine," Mr. Kohl said at a joint press conference here with President Leonid Kuchma.

Mr. Kohl said security issues figured prominently in his talks with Mr. Kuchma, and he stressed that Ukraine "is of central importance for Europe." But referring to the Atlantic alliance's plans to expand eastward, Mr. Kohl said: "It is a question of restructuring NATO, and not just expansion." *(AFP)*

Jewish Candidate Defends Role

VIENNA — A Jewish candidate for Austria's far-right Freedom Party defended on Wednesday his cooperation with the nationalist group in a European election campaign as a symbol of post-Nazi era rapprochement.

Peter Sichrovsky, a journalist and author whose parents fled to Britain from Austria before World War II, said that his ties with the Freedom Party leader, Joerg Haider, were a sign of renewed ties in the postwar generation.

Mr. Sichrovsky said the Freedom Party was in no way a Nazi organization. "I see Haider as a conservative politician who questions the system Austria erected in the postwar years and strives for change and improvement," he said in the Standard newspaper. *(Reuters)*

Free Servants Costly in Paris

PARIS — Two former French cabinet ministers are to pay the city of Paris a total of more than 700,000 francs ($140,000) for having enjoyed the free use of domestic servants on the municipal payroll, according to the investigative weekly Le Canard Enchaine.

The newspaper said Wednesday that Camille Cabana and Robert Pandraud, who both served under President Jacques Chirac when he was prime minister and mayor of Paris, expected the payments to pre-empt possible prosecution. It said Mr. Cabana, a former minister for privatization, had agreed to pay back 618,000 francs, and Mr. Pandraud, a former security minister, had already paid back 92,000 francs at the request of Mayor Jean Tiberi, who succeeded Mr. Chirac as mayor.

Le Canard Enchaine said the pair had written to Mr. Tiberi saying that the use of municipal staff as free servants at their city-owned apartments had been a current practice and they had not realized it could be illegal. An administrative court is due to rule Thursday on a request by a taxpayers' association to open legal action against the two former officials. *(Reuters)*

2 Swedes Expelled By Moscow

Reuters

STOCKHOLM — Two Swedes, one of them a senior diplomat, have expelled from Russia after one of them was accused of spying, the Swedish news agency Tidningarnas Telegrambyra reported Wednesday.

The Swedish authorities refused comment on the affair.

The agency quoted Russian media as saying a businessman was alleged to have been spying in St. Petersburg, Russia's second city. A Swedish diplomat had also been expelled, the agency said.

The agency reported that the Swedish man was arrested in February and had confessed to spying. He and the diplomat had already left Russia, the agency added.

The Russian Interfax news agency quoted Boris Kostenko, head of the information department of the Federal Security Service, as saying a Swedish military intelligence agent had been unmasked in February.

"He confirmed that last winter Hans Peter Nordstrem, a go-between for the Swedish military intelligence, and a Russian citizen who had been engaged by the intelligence earlier had been detained," Interfax said from Moscow.

The Russian Nezavisimaya Gazeta daily newspaper said Mr. Nordstrem, a businessman born in 1964, had entered Russia on Feb. 21, 1996.

12 Neo-Nazi Youths Charged in Germany

Agence France-Presse

BONN — Twelve neo-Nazi youths, aged 16 to 23, have been arrested and charged with a series of violent attacks on a new hostel for foreigners seeking asylum in Germany, the police in the Eastern German state of Saxony said Wednesday.

The youths, from the Frohburg region, were released on bail after being charged with racial incitement and criminal damage.

BELGIUM: *Searching for Explanations, Country Turns Its Ire on the Government*

Continued from Page 1

blaming the police, the courts and the political establishment for having failed the two girls — and the rest of Belgium with them.

"I never imagined that something so horrible could happen on our own doorstep," said Marie-Joelle Bouzet, whose daughter, Elisabeth Brichet, has been missing since 1989, when the 12-year-old went to visit a neighborhood friend. "We have to keep up the public pressure long enough to force the politicians to change it all."

The indignation has grown even greater in recent days as speculation mounted that politics was involved from the beginning in the unfolding pedophilia scandal, which already has led to 10 arrests.

Mr. Russo, Mrs. Bouzet and others argue that well-connected suspects have been afforded "political protection" by the authorities, and a highly regarded children's advocate, Marie-France Botte, asserts that the Justice Ministry is sitting on a politically sensitive list of customers of pedophile videotapes produced by Melissa and Julie's accused abductors.

The affair has become further clouded by the unexplained discovery of a motorcycle at the home of the main suspect, Marc Dutroux, a convicted child rapist, that was reported to have matched the description of one used in the 1991 assassination of the prominent Belgian businessman and politician Andre Cools.

Michel Bourlet, the head prosecutor on the pedophile case, has declared that the investigation can be thoroughly pursued only if there is no political interference. Several years ago, Mr. Bourlet was removed from the highly charged Cools case, which remains unsolved.

But as the sordid details of the girls' ordeal become known, the growing likelihood that a Belgium-based pedophile network was responsible for Melissa and Julie's deaths also has compelled Belgians to look inward for answers to many troubling questions, including why they have been so slow to deal with problems of missing children and sexual abuse.

The Belgian government, meanwhile, only last week approved new measures to make it tougher for sex offenders to qualify for early release from prison. Mr. Dutroux, 39, served less than half of a 13-year sentence for raping five girls in the mid-1980s.

Meanwhile, hundreds of thousands of people have signed petitions, including one calling for the reinstatement of the death penalty, which was abolished last year. Others have demanded harsher prison sentences for pedophiles and strict controls on early-release programs.

Olivier Hoslet/Reuter

Betty Marchal and her husband, Paul, parents of An Marchal, leaving their home in Hasselt, Belgium, for a meeting Wednesday with King Albert II. The bodies of Miss Marchal and another teenager, Eefje Lambrecks, were found Tuesday at a house owned by Marc Dutroux, chief suspect in the pedophile ring.

POLAND: *Wages of Young Executives Rocket as Foreign Firms Surge Into Country*

Continued from Page 1

communism collapsed in 1989, young professionals, by virtue of age and education, were perfectly poised to play a booming job market for personal gain. Now in their mid to late 20s and early 30s, polished and trained, they bounce from job to job in search of promotion, wider experience, greater responsibility and, of course, better compensation.

They have taken advantage of the surge of foreign companies into Poland since the Communists yielded power. From 1,100 ventures in 1990 that were either foreign-owned or had foreign capital, there are now 27,000 such companies, according to the Polish State Agency for Foreign Investment. After fairly modest initial forays, many of the big multinationals are rapidly expanding.

Most still import chief operating officers from headquarters in the United States or Western Europe, but increasingly, middle-management positions — particularly in finance, law and marketing — are being filled by Poles. To lure experienced people from one job to the next, headhunting firms — unknown in Communist days — have multiplied.

These headhunters, whose ads jam special employment sections of the major daily newspapers, have helped set the hectic pace of salary increases.

Now, a Polish marketing manager earns at least $3,000 a month, 10 times the average monthly salary. At the top of the scale, a finance director for a major multinational company — perhaps the key position for a company operating in the expanding but volatile Polish market — was recently hired at a base salary of $7,000 a month, said Marek Suchar, director of Executive Search and Selection, one of two dozen headhunting firms in Warsaw.

Mr. Suchar said that salaries for such top professionals had risen as much as tenfold since the early 1990s — cautioning that the nation's 20 to 30 percent annual inflation had somewhat tempered the increases.

But as competition for these employees increases, other trappings of Western-style compensation packages are taking hold. A 30-year-old Warsaw advertising account manager, who would be hard pressed to get a company car in the United States, has one as a guaranteed perk here.

Next year, Arthur Andersen, the big accounting and consulting firm, will be introducing group life insurance as a benefit for all its employees. Because the company's four-year training program is so prized here, recent recruits get almost daily offers to jump to other firms, according to Renata Hajder, an Arthur Andersen partner. To try to keep these people loyal and motivated, the company will be adding incentives, she said.

"In companies like ours, it is the level of training we provide and the level of exposure to good client cases that matter," Ms. Hajder said. "But in the near future, employers will have to think of more sophisticated packages — in addition to a car, pensions and stock-option schemes."

In advertising, a new profession for post-Communist Poland, people change jobs so quickly that when Young & Rubicam lined up its staff of 45 in Warsaw for the 1994 Christmas card, only eight had appeared in the previous year's card.

"This is a very moving market," said Piotr Gruszczynski, 30, deputy creative director at Young & Rubicam. "The only way to get experienced people is to hire away from other agencies."

Someone with Mr. Gronet's background is in highest demand. Mr. Gronet has a law degree from Warsaw University and a master of arts from the University of Illinois. He worked briefly in Chicago for a law firm with a Warsaw office before deciding that he could do better at home.

When he returned to Poland, he worked for Coopers & Lybrand in Warsaw for $700 a month, which he described as "peanuts." He asked for a raise. Mr. Gronet said: "I said, 'You pay me three times more or I'm out.' They bit the bullet."

German Leader Sees Delay on Czech Accord

Reuters

POLICKA, Czech Republic — President Roman Herzog of Germany on Wednesday called on young Czechs and Germans to be patient in waiting for a joint declaration by their countries aimed at formally closing the book on World War II.

In a newspaper interview in Germany, meanwhile, the Czech president, Vaclav Havel, said Bonn was largely responsible for long delays in signing the declaration, intended to be issued by both countries' parliaments.

Bonn and Prague have been working for more than a year on the declaration, which recognizes Nazi atrocities as well as brutality during the mass expulsion of ethnic Germans from the former Czechoslovakia after the war.

"I know that some of you hoped that we would already have the German-Czech declaration, on which our governments are working, on the table at this meeting," Mr. Herzog told a youth meeting in the Czech town of Policka that Mr. Havel also attended.

"I am quite sure that it will come," he said. "But I believe, like Vaclav Havel, that there are immensely difficult problems, above all, psychological problems, to deal with and therefore the greatest care is called for; this cannot be achieved in a few weeks."

In an interview with the Sueddeutsche Zeitung of Munich published on Wednesday, Mr. Havel indicated that only the question of political will remained, and he laid the blame at Germany's door.

"It seems to me that the holdup is more on the German side than the Czech side," said Mr. Havel, who has campaigned to end mistrust between the two nations.

Agreement has been held up by objections from leaders of the 2.5 million ethnic "Sudeten Germans" expelled in the mid-1940s after they were collectively held responsible for betraying Czechoslovakia during the 1938-45 Nazi occupation.

Relations with the Czechs, the last major outstanding issue between Germany and the countries the Nazis invaded, have become entangled in domestic German politics.

Many Sudetens and their descendants live in Bavaria and the Bavarian-based Christian Social Union, a member of Chancellor Helmut Kohl's coalition, has backed their cause.

DEATH NOTICE

With profound sorrow
in her seventieth year

Lucienne Lubelski-Kapstein

in Annecy, Haute-Savoie, France on the 30th August 1996

Beloved wife, mother, grand mother, sister
John J. Kapstein
Mme Jacques-Yves Lefort
Mme Ian Pardoe
Julien and Stéphanie Lefort
Mr. & Mrs Maurice Lubelski

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INTERNATIONAL

In Picking Up Where Bush Left Off, U.S. Gets Embroiled in Iraqi Politics

By Elaine Sciolino
New York Times Service

WASHINGTON — Three years and eight months into his presidency, Bill Clinton is fighting the war against Saddam Hussein that George Bush never finished.

After Mr. Bush decided to end the U.S.-led war against Iraq in 1991 without overthrowing the Iraqi leader or destroying his military, the United States was left with limited and messy options. Mr. Clinton, like Mr. Bush, has worked to isolate Iraq politically and economically and to respond to provocations with force.

But, like it or not, the American military attack has embroiled the United States in internal Iraqi politics, essentially forcing it to take sides in a decades-old dispute between two rival Kurdish factions.

The irony is that the faction that benefits from the American intervention — those led by the lawyer and former journalist Jalal Talabani — are currently supported by Iran, the world's leading "rogue state" in Washington's view.

Aside from standing up to Mr. Saddam — an obvious political plus in an election year — it is hard to discern concrete American goals in Tuesday's and Wednesday's military operations or what would constitute an acceptable change in his behavior.

That was evident in statements on Tuesday by both Mr. Clinton and Secretary of Defense William Perry, who struggled to explain why the United States was retaliating with limited air strikes and unilaterally expanding the area inside Iraq where Iraqi planes cannot fly.

From Mr. Saddam's point of view, he unleashed the Iraqi military on one of the country's two main Kurdish groups after the leader of the other main Kurdish group asked for help.

Mr. Saddam jumped at the opportunity to move in, and, for good measure, killed dozens of his political opponents who were based there.

"It's necessary to stop Saddam anywhere, anytime, because if you don't he'll challenge you wherever he can," said Phoebe Marr, of the National Defense University and a leading expert and author on Iraq. "But we're not on very firm ground this time because he is in his own country. He was invited in. It's going to be hard to convince our allies to come on board."

In the administration's view, Iraq surrendered its sovereignty when it invaded Kuwait in 1990. International endorsement of America's actions or legal niceties like whether force is expressly authorized under Security Council resolutions are secondary to keeping Mr. Saddam cornered.

"This has nothing to do with the Kurds and everything to do with Saddam," said a senior Pentagon official.

Clinton inherited his policy: Keep Saddam cornered in the hope of eroding his power and punish him when he misbehaves.

In justifying attacks, Mr. Clinton did not discuss the plight of the Kurds or the intricacies of Kurdish politics.

Rather, he argued after the initial attack that American missiles sent this message: "When you abuse your own people or threaten your neighbors, you must pay a price."

But Mr. Saddam has abused his people since the ruling Ba'ath Party assumed power in 1968. Since the end of the Gulf War, he has continued to assassinate his political enemies and purge his military without provoking any American military intervention.

As for threatening Iraq's neighbors, the administration has yet to explain fully how Iraq's seizure of Arbil is a threat to the stability of the region or the price of oil.

In his statement Tuesday, Mr. Clinton said that the policy was clear: "When our interest and the security of our friends and allies is threatened, we will act with force if necessary."

But Mr. Clinton certainly did not mean the Iranian-backed forces of Mr. Talabani, who drums up support for his cause on Capitol Hill and in European legislatures besides overseeing his guerrilla forces in the Kurdish hills.

No American official is willing to say publicly what — if anything — Mr. Saddam could ever do to prove that he wants his country to return to the family of nations.

"We're not going to make any public declaration of what actions Saddam Hussein has to take at this time," Mr. Perry said at a news briefing. He said the United States expected a "change in his behavior as a result of this."

When asked what changes, he said, "What we are looking for primarily is deterrence, deterrence of future military adventures."

Throughout his administration Mr. Clinton has followed the policy he inherited: Keep Mr. Saddam cornered in the hope of eroding his power and punish or threaten him with military force when he misbehaves. In each case, American retaliation could be justified as self-defense or in response to threats to American national security interests.

In this case, Mr. Saddam acted out of his own domestic reasons in overtaking Arbil, not for any international adventure.

But if he were allowed to get away with it, the thinking in the Pentagon goes, he might have gained control over all of the Kurdish north part of his country. That would have freed 60 percent of his military, which now patrol the line with Iraqi Kurdistan, and then Mr. Saddam might seek some other adventure to keep his troops busy. Once again, he could have been a regional threat.

So on the basis of this extended line of reasoning, the United States was willing to act alone, with lukewarm support or criticism from the European and Arab countries that were its allies in the 1991 war.

Attitudes Have Changed On Dealing With Iraq

6 Years After Coalition, U.S. Is All but Isolated

By Barbara Crossette
New York Times Service

UNITED NATIONS, New York — Six years ago this fall, following Iraq's invasion of Kuwait, a powerful coalition was painstakingly assembled here that would give the Bush administration not only the cover of the United Nations but also the backing of virtually all the world's major countries for a war a few months later against President Saddam Hussein.

This week, the United States has been all but isolated as the Clinton administration tried to garner support for even a condemnation of Iraq for its incursion into Kurdish territory and for the indefinite suspension of a plan to allow Iraq to sell limited amounts of oil to pay for urgent civilian needs. Except for the backing of a few friends, there was unease and some sharp criticism in response to Washington's strikes on Iraq.

In six years, the world has not changed as much as attitudes about how to deal with Iraq. The circumstances surrounding the American attacks on Iraqi targets this week also raise issues about the legality of the action, diplomats here and officials in foreign capital say. Most experts take exception with the Clinton administration's argument that a 1991 Security Council resolution gave Washington the authority for military action.

In 1990, Iraq clearly overstepped an international boundary and seized a sovereign country. In 1996, Iraqi troops came invited — by a Kurdish leader whom Americans had supported — to a part of Iraqi territory, albeit in an area where the Kurdish minority was under some international protection.

Today a Middle Eastern diplomat here, reflecting opinion in government offices and newspapers around the Arab world, said that the issue of Iraqi sovereignty was important. Others from Islamic countries said that at a time when there is great fear of militant Muslim extremists in a number of countries, including Saudi Arabia, Saddam Hussein is considered something of a bulwark against fundamentalism — as in Moammar Gadhafi or Libya, another target of American sanctions.

For China and Russia, which have both been very critical of U.S. air strikes, the issue of how much autonomy or foreign support to give an ethnic minority is a sensitive one. The Chinese often seem to hold up Security Council actions against the light of Tibet or Taiwan and are quick to protest what to them seems to be a pattern of interference that could someday be used against Beijing.

In the last few years, Russia has cooled its support for pro-Russian parties or breakaway factions in some of the former Soviet republics. Russia has pressed at the United Nations for international peacekeeping or monitoring operations in Abkhazia to prevent the continuation of a war of secession against Georgia, and for international mediation in Tajikistan.

The United States has been sensitive to issues of Iraqi sovereignty also, joining with nations in the region in pledging not to dismember Iraq and agreeing to write Security Council resolutions with these pledges in mind.

The Clinton administration's military actions against Iraq are also having some probably unintended but disturbing consequences that are drawing concern among officials.

Rolf Ekeus, the Swedish diplomat who is chairman of the commission set up after the Gulf War to eliminate or account for all of Iraq's weapons of mass destruction, said Wednesday that the extension of the no-flight zone to the outskirts of Baghdad and the generally tense situation created by American air attacks has forced him to ground the aircraft used by his inspectors and to freeze many monitoring operations. He described the Iraqis as "trigger happy."

At a news conference, Mr. Ekeus also said he was concerned that with his 104 inspectors and specialists now confined to Baghdad, Mr. Saddam could take the opportunity to reposition equipment or try to produce quick batches of chemical or biological weapons.

Mr. Ekeus said that between 6 and 16 missiles are unaccounted for, along with mobile launchers, stocks of sarin and mustard gas and possibly biological agents, along with various documents.

In general, the Clinton administration has found the climate for international cooperation much less favorable in recent months. A number of countries have objected to American laws attempting to restrict foreign investment in Cuba, Iran and Libya.

For almost a year, there has been a perceptible shift in the Clinton administration's approach to UN deliberations, and by extension to relations with other capitals, say diplomats who have watched from the sidelines as their American counterparts lashed out at the UN record with an ardor that seemed to have more to do with preempting potential Republican issues than garnering international support for policy goals.

True or not, there is a widely held assumption here and in many capitals that all Clinton foreign policy decisions are being made for short-term domestic political gains. Diplomats and officials are alternately amused by the spectacle and annoyed that they are being asked to play supporting roles.

Lionel Cironneau/The Associated Press

Jacques Chirac, left, rushing past a servant at the Elysee Palace after the weekly cabinet meeting there as the president of France headed for a conference with his aides on the continued U.S. bombing in southern Iraq.

Saddam Stays Defiant and Goads U.S.

By John Lancaster
Washington Post Service

AMMAN, Jordan — Iraq continued to goad the United States with largely symbolic displays of defiance Wednesday, challenging a newly expanded "no-flight" zone with two MiG fighters and inviting the destruction of a mobile radar site by using it to track an American warplane.

The government-controlled press, meanwhile, maintained its usual stream of invective against the United States, while anti-aircraft fire illuminated the night skies above Baghdad, notwithstanding American claims that none of its aircraft had been in the area.

Although officials in Washington said that Iraq appears to have begun to pull back its forces from northern Iraq after absorbing 44 cruise-missile strikes over the last two days, the events of Wednesday suggested that Baghdad may continue to press its confrontation with the United States, albeit on a reduced scale.

That may not be as crazy as it sounds.

Unlike Saddam Hussein's previous military adventure in Kuwait, his weekend thrust into Kurdish-controlled territory had at least a veneer of legitimacy. It occurred within Iraq's own borders and at the invitation of one of the Kurdistan Democratic Party, or KDP, one of two main Kurdish factions vying for control of the area. Moreover, Mr. Saddam claimed to be acting in response to incursions into the north by Iranian troops, who have sided with the rival Patriotic Union of Kurdistan, or PUK.

For those and other reasons, the Iraqi move has been received with some sympathy in many Arab countries, including pro-Western states such as Egypt, for whom the fear of Iraqi fragmentation

NEWS ANALYSIS

and Iranian influence is even greater than that of Mr. Saddam himself.

The Iraqi deputy prime minister, Tariq Aziz, said in an interview Tuesday with CNN, "We did not violate international law, we did not violate United Nations resolutions and I challenge any representative in the American administration" to tell the American public upon what provision in international law "this aggression was based and justified."

Besides creating new strains in the anti-Saddam alliance that has prevailed since the 1991 Gulf War, Mr. Saddam's incursion into northern Iraq has served important domestic needs. It has demonstrated to his sanctions-weary population that he still controls a formidable military machine. It also has strengthened his bonds with the KDP, which controls vital trade routes through northern Iraq into Turkey. The question now is whether Mr. Saddam will content himself with the gains he has made thus far or try to press his advantage by moving on from the northern Iraq city of Arbil, which his forces helped the KDP capture on Saturday, to other PUK strongholds such as Sulaimaniya.

In a typically defiant speech on Tuesday, Mr. Saddam ordered his forces to shoot down hostile planes over Iraq and vowed to defy the newly expanded no-flight zones that now cover most of his country except for a narrow strip across the middle that includes the capital of Baghdad.

In practice, his behavior has been somewhat more pragmatic. Defense Secretary William Perry of the United States said Wednesday that Iraq has begun "a general pullback" in the north and moved some fighters from air bases covered by the expanded no-flight zone in the south.

But Mr. Saddam seems reluctant to entirely give up the fight.

In Baghdad Wednesday night, witnesses reported loud explosions, followed by bursts of anti-aircraft fire, according to Reuters.

The source of the explosions was a mystery, however, as was the reason for the anti-aircraft fire. Baghdad is 50 kilometers (30 miles) from the border of the expanded no-flight zone and U.S. officials denied attacking the capital.

IRAQ: *'Mission Achieved,' Clinton Asserts, After 2d Assault by Cruise Missiles Pounds Targets in the South*

Continued from Page 1

if in preparation for an attack, Mr. Perry said.

The U.S. fighter followed standard procedure, Mr. Perry said, firing a HARM anti-radar missile at the site.

The "illumination" stopped, the defense secretary said.

In addition, two Iraqi MiG fighter planes approached the 33d Parallel from the north, but turned back before reaching it.

A Pentagon spokesman said he had no evidence to support a claim by Baghdad on Wednesday that its forces had shot down a pilotless aircraft in Iraqi air space, presumably referring to an American reconnaissance plane of the type used to assess the result of the missile strikes.

Mr. Perry was joined in his news conference by the British defense secretary, Michael Portillo, following a meeting that both men said had been scheduled weeks ago.

Mr. Portillo reiterated Britain's strong support for a tough stance against Mr. Saddam, saying that the Iraqi leader had a "murderous history."

He described the second round of U.S. missile launchings as "maybe the final part of the opening operation" that the United States undertook "to eliminate certain targets that posed a threat to allied aircraft."

Britain, using its base on the island of Diego Garcia in the Indian Ocean, provided in-air fueling for the U.S. bombers en route to the Gulf area from the western Pacific.

But only U.S. warplanes ventured north of the 32d Parallel in Iraq on Wednesday to enforce the expanded no-flight zone in the south, a military official said.

No French and British warplanes flew with the Americans in air patrols of the new section of the no-flight zone, which was expanded Wednesday from the 32d parallel to the 33d parallel, an official at the U.S. Central Command said.

Mr. Perry said the Iraqi Air Force moved at least half its MiG fighters northward overnight from two major bases within the new portion of the southern flight-exclusion zone. The new area, between the 32d and 33d parallels, takes in a 70-mile-deep swath from Jordan to Iran.

In view of expressions of grave concern by France over the missile strikes, Mr. Clinton was asked whether the anti-Iraq coalition was "dead."

"I don't think it's dead," the president said. "I think quite to the contrary, we have received good support" from Britain, Germany and Canada.

"I think our Arab partners clearly understand what we are doing, what the risks are," he said.

A further blow to Iraqi sovereignty could come from Turkey, if a report from the semi-official Anatolia news agency in Ankara is confirmed.

The agency quoted diplomatic sources as saying that Foreign Minister Tansu Ciller had said Turkey was considering establishing a buffer zone in northern Iraq to prevent Kurdish separatist fighters from penetrating its territory.

Turkey has launched cross-border attacks at Kurdish targets before, and has fought Kurdish groups on its territory.

But a buffer zone, perhaps like the one that Israel created along its border with Lebanon, would be a step beyond that.

Anatolia reported that Turkey had received an initial, positive response from the United States, though U.S. officials in Washington did not confirm that.

ISRAEL: *Netanyahu and Arafat Agree on Carrying Out Accords*

Continued from Page 1

Palestinian Authority would renew negotiations at all levels.

It said a liaison committee would start meeting Thursday to oversee implementation of agreements already signed, including the one concerning Hebron.

Mr. Netanyahu wants Mr. Arafat to renegotiate the terms of a Hebron troop pullback, however, to better ensure the safety of 450 Jewish settlers living in the heart of the city of 94,000 Palestinians.

The Palestinians said that they were willing to discuss some changes in the terms, but that they do not want to make written promises out of concern for setting a precedent in renegotiating other elements of agreements already signed.

In a conciliatory gesture Wednesday afternoon, Mr. Arafat called Mr. Netanyahu and apologized for a Palestinian author, Khalil Sawaheri, who wrote in the Tuesday issue of the Al Ayyam daily that the Israeli prime minister was "more Nazi than Hitler."

At the end of the meeting Wednesday, Mr. Netanyahu rose first, as cameras rolled at the Israeli-Palestinian liaison office on the Israel-Gaza border.

While the meeting had begun awkwardly with a brief handshake too quick to photograph, at the end, the Israeli leader buttoned his suit before extending a hand to Mr. Arafat who reached across the negotiating table to grasp it.

Mr. Arafat half-smiled while Mr. Netanyahu appeared to say something to him. Mr. Netanyahu, who took office June 18 and has resisted meeting with Mr. Arafat, maintained a serious demeanor.

Mr. Netanyahu was the third Israeli prime minister to shake hands with Mr. Arafat.

The late Prime Minister Yitzhak Rabin was the first, almost exactly three years ago, when he sealed a groundbreaking peace deal on the White House lawn in Washington.

Mr. Peres, then foreign minister, also took part in that ceremony on Sept. 13, 1993. *(AP, Reuters)*

BURUNDI: *Foreigners Flee Onslaught*

Continued from Page 1

were asked to leave Burundi two weeks ago, but he emphasized that Americans were not leaving the central African highland nation for good.

The plane had come from Nairobi almost empty, he said, adding that there would be no further such flights.

Fighting resumed "around 3 P.M. and it is fairly intensive," an army spokesman, Lieutenant Colonel Isaie Nibizi, said. He said the fighting was continuing.

The latest fighting, Colonel Nibizi said, followed heavy clashes between the army and rebels Tuesday night. The rebels assaulted targets on the eastern outskirts of Bujumbura, the colonel said, and the army sent in reinforcements to repel them.

Residents said they saw helicopters take to the skies to hit rebel positions and heard mortars being used in the latest battle around Tshiangano, on the outskirts of the city.

A Reuters correspondent said he saw smoke rising from the steep hills east of Bujumbura.

On Tuesday night, the Hutu rebels of the Forces for the Defense of Democracy launched what residents said was the fiercest engagement since the coup, but the army said earlier Wednesday that the rebels had been repelled.

(AFP, Reuters)

ALLIES: *French Coolness*

Continued from Page 1

scene. When Mr. Christopher restored peace, France took much of the credit for it, saying that Paris could talk with Syria and Hezbollah's backers in Iran where the United States could not.

Besides politics, money also plays a role.

France and Iraq had a long history of commercial and military relations before the Gulf War and hardly had the fighting stopped before the French oil companies Elf and Total were back in Baghdad, negotiating lucrative contracts for the day when the UN embargo on Iraqi foreign oil sales would be lifted.

"Friendly countries that have supported us, like France and Russia, will certainly be given priority," the Iraqi oil minister, Amir Rashid, said last June after the announcement that the UN would let Iraq sell $2 billion worth of oil in exchange for food and medicine.

The UN secretary-general, Boutros Boutros Ghali, suspended that plan after Iraqi troops moved into the northern Iraq town of Arbil last weekend, but considerable sympathy remains.

The French government spokesman, Alain Lamassoure, said Wednesday that the food-for-oil deal should be reinstated "as fast as possible" to relieve "the suffering of the Iraqi people."

But, he added, "Our aims are first to ensure peace in the region and to ensure that the Iraqi leaders are no longer in a position to harm their neighbors or their own people."

How much personal sympathy Mr. Chirac himself feels is hard to tell, but he and Mr. Saddam go back a long way.

Exactly 21 years ago this week, as French prime minister, he welcomed Mr. Saddam, then the second most powerful man in his country, to France on a official visit with these words: "You are my personal friend. You are assured of my respect, my consideration and my affection."

At the time, France was trying to woo Iraq away from its main arms supplier, the Soviet Union, and was willing to sell Baghdad billions of dollars worth of Mirage fighter-bombers, anti-aircraft batteries and even a nuclear reactor.

French technicians helped build the $300 million reactor at Osirak, near Baghdad, but Israeli warplanes destroyed it in 1981 on the grounds that the Iraqis planned to use the plutonium it produced in nuclear weapons that could be used against Israel — suspicions more than borne out in the future.

Later French governments, Socialist and conservative alike, continued to sell arms to Baghdad, which made France Iraq's biggest foreign creditor, for an estimated total of $4 billion to $5 billion, by the Gulf War. France was the first Western ally to re-establish limited diplomatic links with Iraq afterward, following a visit to Paris last year by the deputy prime minister, Tariq Aziz.

Although French warplanes, alongside British and U.S. ones, have been involved in enforcing a ban on Iraqi military flights over territories that are populated by Kurdish and other minorities persecuted by Mr. Saddam, the French have also repeatedly emphasized their support for the territorial integrity of Iraq.

"The French were privileged interlocutors with Saddam and they may also see his regime as a bulwark against Islamic fundamentalism," a foreign diplomat said.

There is little the French fear more than the spread of fundamentalist terrorism among the millions of Muslim immigrants from North Africa living on French soil, and French officials said that they feared that civilian casualties from the air strikes could strengthen fundamentalism's hand throughout the Arab world.

"What happened in Iraq today had nothing to do with what happened in 1990-91 when Iraq annexed its neighbor Kuwait in scandalous conditions," Mr. Lamassoure said Wednesday.

Jacques Rummelhardt, the Foreign Ministry spokesman, said Wednesday, after a new round of U.S. cruise missiles hit southern Iraq, that France remained "concerned."

He reiterated that Mr. Clinton's extension of the southern exclusion zone had been a unilateral act not agreed to in advance by France, although Britain went along with it.

Unilateral American legislation signed by Mr. Clinton recently to penalize French and other foreign firms that do business with Iran, Libya, and Cuba touched a sensitive nerve in Paris, which, together with Spain — the other NATO ally most sharply critical of the American bombing raids in Iraq — has led European opposition to the new laws.

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Cruise Missiles Getting Smarter Since Gulf War

U.S. Relies Increasingly on Drone Weapons

By John Mintz
Washington Post Service

WASHINGTON — The cruise missiles the United States launched against Iraq claim a lineage dating to Germany's V-1 "buzz bombs" that terrorized London in World War II. But the American models are outfitted with high-technology gizmos that U.S. military officials claim can guide them to within a few meters of targets.

Cruise missiles have become one of the prestige items in the world arms market because of their accuracy and the fact they can be launched from air, land and sea. About 75 nations have them in their inventories, but none of those weapons are as intimidating as the U.S. Navy and U.S. Air Force cruise missiles.

Pentagon critics say the U.S. military often has overstated the accuracy and firepower of "smart" weapons such as the navy's Tomahawks and the air force's AGM-86s, which were dispatched Tuesday against Iraqi missile sites, radar installations and command-and-control facilities. Cloud cover over Iraq prevented an assessment of the damage, Pentagon officials said.

Some of the harshest criticism of the missiles came earlier this year, from the General Accounting Office, Congress's investigative arm, which said the Pentagon's boasts about performance of the Tomahawk and other smart weapons in the 1991 Gulf War were "overstated, misleading, inconsistent with the best available data or unverifiable."

Other critics say cruise missiles are too expensive — $1 million apiece, compared with about $60,000 each for many "dumb" bombs that lack the cruise missiles' complex guidance systems.

U.S. military and industry officials strongly reject the conclusions, saying the accounting office and other critics do not recognize the risks American pilots must take to drop dumb bombs, and the continual improvements being made to cruise missiles.

The most significant criticism of the Gulf War cruise missiles was that they sometimes had difficulty locating targets because of their guidance systems, which compare satellite pictures of Earth in their memory banks with the terrain the missiles' sensors observe. The job often overtaxed the sensors and computers, especially over the featureless Iraqi desert. Another problem was premature explosions of the warheads.

Pentagon officials said they have addressed both criticisms. The latest Tomahawk, made by Hughes Aircraft Co., has an improved terrain "scene-matching" computer, along with a complementary guidance system that uses continual updates of the missile's location provided by satellites.

And a new programmable delay fuze is designed to let the warhead penetrate deep into a building before detonating.

"It will go through a few feet of concrete, it will destroy a bunker, it will go through floors of an office building," said Rear Admiral Bart Strong, chief of the navy's cruise missile program. "On the ground, it will make a good-sized hole, 25 to 50 feet wide," or about 7 to 15 meters).

Even the critics in the General Accounting Office acknowledge technology upgrades are improving the weapons. Compared with the cruise missiles in the 1991 Gulf War, modernized Tomahawks launched in a 1993 attack on an Iraqi nuclear facility were about 30 percent more accurate, the office said.

The air force's AGM-86 — made by Boeing Co. and launched Tuesday against Iraq by B-52 bombers — is not as accurate as the navy's Tomahawk, government officials say, and still lacks the Tomahawks' satellite guidance feature.

But promoters of cruise missiles say they will continue to be an important weapon in the future for a number of reasons. They elude radar, can be used at night, in bad weather and in the face of heavy air defenses.

They do not need the type of support jets demand and do not require approval from a host nation for launching.

Ultimately, cruise missiles may save U.S. taxpayers money because they may fulfill some roles of the extremely expensive aircraft carriers, the accounting office and other observers said.

Reed Qureia Agence France-Presse

Navy technicians on the carrier Vinson preparing a warplane for a mission protecting B-52s over Iraq.

After 18 Years, Pilot Gets Call

Washington Post Service

WASHINGTON — Lieutenant Colonel Floyd L. Carpenter flew a combat mission Tuesday for the first time in his 18 years in the U.S. Air Force, jammed into a plane filled with chicken sandwiches and 3,000-pound cruise missiles.

"It's very exciting obviously. The adrenalin is rushing because there are people out there looking at you, not wanting you around," Colonel Carpenter, 41, said in a telephone interview from the Pacific island of Guam.

Flying a B-52H aircraft that bore the name Mud Buff, Colonel Carpenter spent nearly 40 hours in the air as his plane and a second B-52 flew nonstop from Guam to Iraq to launch missiles against military targets at dawn Tuesday and then returned to Guam.

Colonel Carpenter said the two planes quickly dropped 13 cruise missiles from their bomb bays, but that he never saw them land and had no idea what damage they might have done. "When I launch a missile, it goes where it is programmed to go and I don't know where it's going when it leaves the aircraft."

Mozambican Doesn't Plan to Wed Mandela

Agence France-Presse

MAPUTO, Mozambique — Graca Machel, the widow of Mozambique's late president, has spoken publicly about her relationship with Nelson Mandela, saying they have no plans to marry, state radio reported Wednesday.

She described her relationship with the South African president as affectionate. Asked if that meant amorous, she replied, "Yes, but we are not getting married."

Mrs. Machel, 50, told local reporters at her home late Tuesday that she and Mr. Mandela, 78, had talked at length about the issue.

"I understand that Nelson, being head of state, would have to set a kind of example," she said. But she added, "I belong to Mozambique and I will always be the wife of Samora Machel."

Though Shunned, New Zealand Joins Gulf Force

By Michael Richardson
International Herald Tribune

WELLINGTON — New Zealand will send a warship to the Gulf next week to join U.S. and allied naval vessels in policing the United Nations embargo against Iraq, even though Washington still maintains a ban on exercising with New Zealand's armed forces.

The ban was imposed in response to Wellington's anti-nuclear policy in the 1980s, which still effectively blocks U.S. warships and military aircraft from visiting New Zealand.

But officials and analysts in this country say that the United States should review the ban because New Zealand, while continuing its anti-nuclear law, has proven to be a useful participant in UN peacekeeping and policing operations that Washington strongly endorses.

Officials are also concerned that the U.S. refusal to reinstate military exercises will make it more difficult to ease public sensitivities about nuclear issues and resolve the deadlock with Washington over the anti-nuclear law.

Don McKinnon, New Zealand's deputy prime minister and foreign minister, said in an interview that "some New Zealanders find it a little bit curious that we are prevented from bilateral exercises with the U.S. or participating in multilateral exercises where the U.S. is involved" while New Zealand is about to send a second warship to the Gulf and has contributed forces to UN peacekeeping operations in Bosnia, Cambodia, Somalia and Haiti.

Jim Rolfe, a defense analyst at Victoria University, called the U.S. position perverse.

He said that the United States was "happy to have us alongside on operational deployments, but it won't exercise with us to ensure that we are at a level where we can operate effectively" with U.S. and allied forces.

The Canterbury, a New Zealand frigate, will leave Singapore next week for the Gulf to serve for three months under overall U.S. command in the force set up to prevent breaches of the UN embargo on Iraq for its invasion of Kuwait in 1990. New Zealand sent another ship to join the force for part of 1995.

The United States suspended its security guarantee to New Zealand under the trilateral ANZUS alliance after a Labor government barred nuclear-armed or nuclear-powered vessels from the country.

In effect, ANZUS was reduced to two sets of bilateral alliances, between the United States and Australia and between New Zealand and Australia.

While Washington has since ended or eased curbs on high-level political and military contacts with New Zealand and the supply of intelligence to New Zealand, it said in July that New Zealand forces would not be able to exercise with U.S. forces until the anti-nuclear law was changed.

Western officials said Washington was concerned that if it made any further concessions to New Zealand without requiring changes in the law, it could encourage similar anti-nuclear measures among its Asia-Pacific allies, especially Japan.

There is substantial opposition there to nuclear power, nuclear weapons and the basing of U.S. forces on Okinawa.

The New Zealand law, passed in 1987, obliges the government to ensure that warships will be allowed entry only if they are not nuclear-propelled or nuclear-armed.

For security reasons, the United States will neither confirm nor deny that its naval vessels carry nuclear weapons. About 25 percent of the U.S. Navy is nuclear-powered.

Strong public and political support exists in the New Zealand for the anti-nuclear law, especially from opposition parties preparing for a general election on Oct. 12.

Mr. McKinnon — a member of the National Party, which has led the government since Labor was defeated in 1990 — said that Parliament was not in favor of changing the law.

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EDITORIALS/OPINION

Herald INTERNATIONAL Tribune
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The Saddam Menace

America Had to Act

In other circumstances the United States might have distanced itself from a situation in which a sovereign state moved against a foreign-supported separatist movement on its own soil. Iraq was intervening, after all, at the request of one Kurdish faction to pry out another aided by Iran, a mortal foe. Washington had earlier stood by when two other countries, Turkey and Iran, violated the northern "safe haven" that a United Nations resolution had offered Iraq's Kurds.

But these were not normal circumstances. Iraq is the personal preserve of an internationally certified human rights violator and aggressor. Saddam Hussein's record, resources and ambitions make him a menace to his own people, to his neighbors and to the international flow of oil. This is why Iraq's latest seemingly local power play has to be taken first in a context of high strategy and vital American interests.

In fact, the Iraqi military operation culminated a shrewd political campaign to reassert control over much of Iraq's Kurdish enclave. Saddam Hussein gambled that the United States, Britain and France, which have enforced a ban on Iraqi warplane overflights since 1991, would see but not stop the several hundred tanks and other vehicles he sent to Arbil for a weekend's mop-up. He was able to do this by working through a former Kurdish enemy turned client.

It may not have been within the political reach of an American president, conducting a solo mission and worrying about casualties in the run-up to an election, to prevent the Baghdad tyrant's maneuver. But it is certainly within Bill Clinton's reach to make the Iraqi leader pay a price and to demonstrate a continuing commitment to Gulf stability. Tuesday's attacks on Iraqi air defense targets are a reminder that the United States is able to act and, specifically, to enforce its new extension of the zone in which Iraqi flights are prohibited.

It is troubling that so many allies and friends, and not just those within easy range of Iraqi intimidation, were critical of the American strikes. Some had seen an incipient softening in Saddam Hussein's recent acceptance of UN terms for selling Iraqi oil for food. Some genuinely doubt that anyone can profit from further American intervention in the tangled Kurdish question. Many countries are accepting Baghdad's complaint that it was a stretch for Washington to try justifying its missile strikes by the 1991 UN resolution condemning Iraq's repression.

But at another level, many foreign critics are aware of the advantage to themselves in having the United States available to check Saddam Hussein's power. One evident sign was the prompt and unsolicited decision by Boutros Boutros Ghali — not Washington's favorite UN secretary-general — to suspend the food-and-oil deal.

An American election is not the easiest time to get it straight, and not the moment of maximum trustworthiness on the part of the politicians involved. But a Gulf leadership role is required of the United States, and President Clinton, who was slow in recognizing the crisis that was shaping up in northern Iraq, at last seems to have started playing it.

— THE WASHINGTON POST.

Power and Restraint

Saddam Hussein's talent for mismanaging Iraq is matched by an uncanny ability to misread the United States. Just as he once mistakenly figured that Washington would condone his invasion of Kuwait, he apparently assumed that America was too engrossed in presidential politics this year to answer a new demonstration of Iraqi belligerence. President Bill Clinton has swiftly proved otherwise.

The American cruise missile attacks on military targets in southern Iraq on Tuesday were a reasonable, proportionate response to Saddam's latest act of aggression, this one directed against thousands of his own countrymen. While we would have preferred giving the United Nations more time to hold back Saddam's oil income, we also recognize that such measures seldom work with the Iraqi leader. But Mr. Clinton chose to make his point more forcefully. Two attacks in one day are a lot, and he must be careful not to be drawn into a wider fight in response to Iraq's recent military operations against one faction of Kurds in the north.

It would have been preferable for Mr. Clinton to act in concert with the nations that opposed the invasion of Kuwait, including many Arab governments. In this case, Britain, Japan and Germany supported his decision. France, eager to develop its commerce with Iraq, objected. So did Turkey, whose new Islamic government is recklessly intent on restoring good relations with Baghdad and suppressing its own Kurdish minority. Other countries that were silent or publicly opposed, including Egypt and Saudi Arabia, were no doubt privately delighted to see America confront Iraq again.

The targets, anti-aircraft installations in southern Iraq, and the method of attack, 44 unmanned cruise missiles launched from B-52 bombers and American naval vessels, were well selected. They minimized the danger to American forces and to Iraqi civilians, while making it safer for American planes to enforce a newly expanded no-flight zone in southern Iraq intended to humiliate Saddam. Thanks to Saudi and Turkish skittishness, the B-52s flew thousands of miles from Guam so that American warplanes based in Saudi Arabia and Turkey would not be involved.

Striking southern Iraq will not directly impede Iraqi forces in the north, but bombing them would have risked numerous civilian casualties. It would also have made Washington a combatant in an internecine Kurdish conflict that the United States has been trying to settle through negotiations.

Mr. Clinton acted properly under a 1991 UN Security Council resolution that bars Iraq from abusing its Kurdish citizens. The resolution, and an American-enforced ban on Iraqi military flights in northern Iraq, resulted from Iraq's brutal suppression of a Kurdish rebellion after the Gulf war, which sent a million refugees into Iran and Turkey.

The latest assault by Iraqi infantry and tanks against supporters of one of two main Kurdish political groups is a clear violation of the Security Council resolution. That Iraqi forces were invited by the opposing Kurdish group does not make the attacks against civilians, and reported arrests and executions, any less offensive.

Having committed itself to providing a safe haven for the Kurds, which Washington was obliged to do after urging them to oppose Saddam Hussein, the United States cannot now walk away. But the larger interest for Washington and the world is to make clear to Saddam Hussein that he cannot act with impunity against his citizens or his neighbors.

Incumbent presidents usually receive a surge of support when they send military forces into action, a law of American politics that probably influenced the speed of Mr. Clinton's response and accounts for Bob Dole's agitated efforts to criticize Mr. Clinton's handling of Iraq. But unexpected reversals and the loss of American lives can just as quickly erase any gains. So far, Mr. Clinton has handled the quicksilver of Saddam Hussein with an acceptable blend of American power and restraint.

— THE NEW YORK TIMES.

Other Comment

Follow the Seoul Subplot

The news that former South Korean President Chun Doo Hwan had been sentenced to the death penalty was a lot less shocking than it will be if this punishment is ever carried out. The trial is best viewed as high political theater, albeit theater with the serious subplot of South Koreans trying to figure out how to clean up a long-standing business-government system that taints nearly everyone. [But] the big government plus big business equals big bribery equation can't possibly be settled in a courtroom or by presidential fiat.

We suspect that when Seoul joins the Organization for Economic Cooperation and Development this month the long-term effect will be greater even than this trial of the century.

— Far Eastern Economic Review (Hong Kong).

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The Mess in the Middle East Is Bigger Than Iraq

By Thomas L. Friedman

TEHRAN — You couldn't see or hear the cruise missiles smashing into Iraq from here in downtown Tehran, but you sure could feel the political fallout raining down on the region.

It was both strange and fascinating to be sitting with Iranians at the Guidance Ministry and watching the reports of the U.S. bombing on one of the few television sets around town that (legally) gets CNN. What was so striking was how confused the Iranians were in their initial reactions.

From some there was pity for the Muslim Iraqi people, or, as a secretary said to me: "Saddam is a mouse. Why do you bother with him?"

From Iranian state radio came a remarkable commentary scolding America for not acting sooner to halt Iraq's offensive against pro-Iranian Kurds.

And from some Iranian friends came private concern that Iran might be next in line for a dose of U.S. missiles.

But the Iranians were hardly alone in their confusion. It is shared by the entire neighborhood. Indeed, these latest bombings do more to reveal the mess in the Middle East than to resolve it.

What they revealed first of all are the glaring impulses that have been hampering U.S. policy since the end of the Gulf war in 1991. Washington wants Saddam out of power. But it doesn't want to risk any U.S. lives or press too hard on Iraq for his ouster, because it hurts the Iraqi people too much and might fracture the whole country. The result is a policy of "containing" Saddam that is designed to squeeze him, but not too hard, and meanwhile hope that some "nice" Iraqis kill him.

Knowing, though, that if Saddam was left in power he might abuse the Kurdish minority in northern Iraq and the Shiite minority in southern Iraq, Washington set up "no-fly zones" in both areas to limit military operations there. But this has created a de facto fragmentation of Iraq and power vacuums in both areas that locals seek to fill.

In the north the Kurdish tribes scrambled for control. Given the intensity of their rivalries, it was inevitable that one of them would try to enlist Saddam's help. He was eager to agree, since it gave him a toehold back in the area, and that is what triggered the U.S. bombing.

What the bombings also reveal is just how chaotic the situation with the Kurds has become in the U.S.-created power vacuum in northern Iraq.

Actually, it's very simple. The Kurdish Democratic Party (KDP) of Massoud Barzani says it sought help from Saddam because its rival, the Patriotic Union of Kurdistan (PUK), led by Jalal Talabani, was getting support from Iran. The PUK says it got involved with Iran only because the KDP was beating it with support from Turkey.

The KDP entered into an alliance with the anti-Turkey Workers Party of Kurdistan (PKK) so it would have a stronger hand to fight the PUK. But that meant that the PKK, which is pro-Syria, was fighting alongside the KDP, which is pro-Iraq, against the PUK, which is both pro-Iranian and pro-U.S.

That's the brawl the United States is trying to sort out.

Finally, the bombings reveal the broader strategic morass in the Middle East today, which is by no means the fault of America. There aren't three countries in the Middle East today aligned with one another.

The core countries — Egypt, Saudi Arabia, Israel, Jordan, Syria and the Palestinians — are not in sync, and the periphery countries — Turkey, Iran, Iraq and the Gulf Arabs — are all pulling in different directions.

The bottom line: The half-finished Gulf war and the half-finished Arab-Israeli peace process and the half-baked U.S. containment policies for Iran and Iraq (containments that are rhetorically all-out war but operationally something far less) have failed to produce a new order in the Middle East.

Instead, they have contributed to a regional disorder in which Washington does not have a united front to support its strategies or many partners to help manage its contradictions.

Bill Clinton chose the least intrusive form of intervention — cruise missiles — to try to stabilize this situation for at least a few more months. But make no mistake, this saga is only half over.

The New York Times.

Hitting Iraq Doesn't Help Anything but America's Ego

By Flora Lewis

PARIS — This is not just another action movie — bad guy oversteps, good guys pay him off. The reticence of most allies who took part in the Gulf war coalition in response to American strikes on Iraq reflects awareness that the attacks don't resolve anything.

All the devilish complexities of the regional situation remain, highlighting the fact that there is no coherent strategy for dealing with them — not only no joint approach surmounting diverse interests, but no American policy beyond the display of force.

Nobody sympathizes with Saddam Hussein, not even the French, who are pleased to have another occasion to show their vaunted "difference." That is why, whatever the reservations and disapproval, there has been no open denunciation of what has been clearly labeled America's "unilateral" decision. There is no wish to comfort Saddam, or to embolden him to feel that he can escape retribution.

And there are sharply diverse interests. France, whose President Jacques Chirac launched a program of arming Iraq when he was prime minister in the late 1970s, would like to retain what it considered its "privileged" commercial position.

Turkey, which has suffered big economic losses from the embargo since the Gulf war, feels that it has lost a second time, now that the partial lifting under the United Nations oil-for-food agreement, which would have assured reopening the pipeline across its territory, is indefinitely postponed.

The Arab states, always worried about popular reaction when another Arab land is hit by Western power, can expect an anti-Western backlash from their publics, already distressed at the intense suffering of the Iraqi people under the embargo. It is Saddam's fault, but they don't think that his people should be punished in his place.

While there is understanding that a big power must not show weak irresolution at an affront, the overwhelming conviction outside the United States is that the interest which Bill Clinton defended by attacking was more electoral than national.

The American argument for "dual containment" of Iraq and Iran has turned into a trap, thanks to the intrigues and mutual perfidy of Kurdish faction leaders. Critics of the policy thought it would push the neighboring enemies to mutual support as outcasts against the West. Instead it has caught the United States between the two. Hurting one side risks helping the other, so long as the Kurdish factions continue the old game of looking to "the enemy of my enemy as my friend."

The United States sponsored a Kurdish coalition agreement at a meeting in Ireland, but it soon broke down. Both Iran and Iraq were invited by Kurds to intervene again on opposing sides, since neither faction felt that it could rely on U.S. help against its rival. Inevitably, the Kurds who think they are manipulating Baghdad or Tehran have again become pawns of the two states.

That is an important reason why the United States chose installations in the south of Iraq as targets although it is in the north, where the pipeline runs, that Saddam's agents have re-established control.

The policy dilemma for the United States is severely complicated by the disruptive positions of Israel's Prime Minister Benjamin Netanyahu.

Until he took power there was at least the prospect of Palestinian-Israeli peace agreement broadening into wide regional economic cooperation that would contribute to stability, bring reconciliation and isolate the regimes of both Iran and Iraq. That could provide the fundamentals for an overarching strategy.

That hope is receding. Mr. Netanyahu doesn't seem to have any regional policy, although he professes to respect the agreements signed by his predecessors. He is undermining the "peace process" step by step, and in the eyes of friendly Arab leaders the United States is to be blamed because of its apparently unconditional support for Israel.

The result is that, as in the much narrower dispute among Kurds, for the United States having to choose sides means losing something vital.

Nor is overthrowing Saddam a serious policy. If it could be done, it does not assure any improvement except perhaps for the Iraqis themselves. So far Saddam has been remarkably lucky, and that luck can't hold forever.

"Sending a message" to Saddam was a tactical move, perhaps unavoidable in the combination of political and geopolitical circumstances. But the need is urgent for a longer, better conceived strategy, and the Arab-Israeli peace negotiations must be an essential element.

Washington is tempted to reduce all this to simple good guy-bad guy rhetoric, but it's not the real world, which is why America's partners are so reluctant to sign on.

© Flora Lewis.

New Form of Life, but Look How Much We Still Don't Know

By Jessica Mathews

WASHINGTON — It is surprising how little attention was paid to the recent announcement of the discovery of a new form of life. The discovery's chief author believes that it opens "a wholly new view of the universe."

The announcement was of the sequencing of the entire genome of a strange organism discovered near a place on the ocean floor where superheated water pours out of a vent. This eccentric beast flourishes at near-boiling temperatures under pressures of 200 atmospheres, far beyond the sun's reach. All it needs to live is nitrogen, carbon dioxide and hydrogen, from which it makes methane (natural gas).

Its gene sequence revealed that this methanococcus is in fact a member of a previously postulated form of life called archaea. The two living domains that schoolchildren are taught about, prokaryotes (bacteria with no nucleus) and eukaryotes (complex organisms from yeast to humans whose cells have a nucleus), are now joined by a third. Textbooks will have to be rewritten.

The gene sequence proved a 20-year-old hypothesis that until now has been considered highly controversial, if not downright nutty.

More than half of the genes of this amazing organism turned out to be unrelated to any previously known genes, a staggering result. Even odder, while some are closely related to bacterial genes, others, which direct the cell's information processing, are similar to eukaryote genes, even to human genes.

The archaeon, it seems, partakes of both the known domains and may be their common ancestor. Its discovery could be a giant step on the way to the discovery of the root of life.

In this kingdom are creatures that seem like pure science fiction. They violate many of the supposed requirements for life. Some archaea can live at zero degrees centigrade. Others thrive above the temperature of boiling water. Another can survive more than a million rads of radiation, making it the likely victor had the Cold War ever erupted in nuclear holocaust.

All this would be enough to stop us in our mental tracks with the realization of how little we know about life on Earth, even if the archaea comprised only a few, peculiar organisms.

As it turns out, living under our noses on this planet is a previously unrecognized form of life that accounts for an eye-popping one-third to one-half of all the biomass on Earth, much of it in the oceans.

There are several dimensions to this. First, of course, is the tremendous excitement, mystery and scope of discovery that lies ahead in the natural sciences.

Biology is going to be the revolutionary science of the next century, as physics has been for this one. Genome sequencing will provide a more powerful tool for understanding the origin of life than the hit-or-miss search for fossils. Behavioral science and molecular genetics will converge, yielding unimagined insights. Ecology is now only in its infancy.

There is no end to the mind-bending possibilities. You think that natural gas is a fossil fuel? Well, the genes of this organism and other methane-producing archaea might make it possible to produce natural gas as a renewable energy supply.

Discovery of the archaea underlines, in a way no sane person can ignore, the scope of what we don't know about our planet.

We know more about the surface of the moon than about Earth's deep oceans. We do not know to within a factor of 10 how many species live with us (most of the uncertainty involves insects) or, therefore, what percentage are being lost.

Environmentalists agonize over the resulting dilemma: They fear that greater public awareness of what we don't know might encourage inaction, rather than be understood as the reason for greater precaution in human activities that could be changing who knows what.

That a species can create a continent-sized hole in the stratosphere and not realize it for more than a decade is reason to worry about what we might inadvertently do next.

The final irony in our enormous excitement about extinct life on Mars and indifference to new life on Earth is that the archaea, with their preference for extreme conditions and their independence from the sun's energy, are the perfect candidate for alien life.

"I would be surprised," says Craig Venter, leader of the gene-sequencing team, "if we don't find organisms similar to this at some stage on other planets." Perhaps archaea or something like them on a falling meteor from Mars first seeded Earth's primeval hot oceans. Perhaps these organisms will be Earth's first colonists to other planets.

One thing we know for sure. We don't need to look to outer space for heroic science. There is plenty right here.

The Washington Post.

Ruling China After the Deng Era

By Ellis Joffe

JERUSALEM — Of all the factors that will shape developments in China after the demise of Deng Xiaoping, none is more important than the capacity of its new leaders to rule effectively. In most countries such a capacity is taken for granted. In China it is far from self-evident.

Ruling China is a monumental task at any time given its size and the traditional strength of regionalism. The greatest achievement of the Communist regime under Mao and Deng has been its remarkable success in coping with this task.

But Mr. Deng is 92, and similar success is not assured for heirs who lack the personal authority and institutional power that formed the basis for the rule of the revolutionary godfathers.

The capacity to rule effectively depends first on unity of the top leadership — the 25 to 35 most powerful political personalities in China.

The record shows that unity at the apex leads to purposeful activity at all levels; polarization leads to paralysis or infighting. Such unity depends on the standing of the paramount leader and on policy consensus among the leaders.

The standing of President Jiang Zemin is ambiguous. His personal leadership qualities do not seem to inspire much respect within the hierarchy, but he has great assets in his institutional posts. Since 1992 he has been party secretary and chairman of the Military Affairs Commission as well as president.

These posts endow him with symbolic prestige and the invaluable privilege of installing supporters in key posts. This is clearly one reason for his apparent success in removing rivals and maintaining leadership unity.

There is a policy consensus among the top leaders based on a commitment to continuing the transition to a market economy. There is no evidence of substantial rifts that inevitably lead to policy-inspired power struggles.

Will this pattern persist? It depends on whether economic policies produce sustained growth and a better life for most Chinese.

If the economy were to falter badly, and especially if setbacks caused social unrest, leadership unity would disintegrate. In that event, Mr. Jiang's personal position is unlikely to be strong enough to ensure his survival.

A second component of effective rule is the responsive operation of the political system, that huge conglomeration of governmental organizations controlled by the Communist Party.

The party has changed dramatically over the years, most notably after it was destroyed in the Cultural Revolution. It is still the central pillar of political rule, but it is corroded by severe defects.

The party's strongest best chances for survival and rejuvenation lie in the vested interests of its 54 million members to hold on to power and privileges. They are entrenched in an enormous network that has deep roots and a long tradition of rule. It will not collapse easily.

But change will also not come easily. One reason is the loss of ideological identity. Maoist ideology has become a dead letter as a result of market reforms.

Another obstacle to change is loss of power by party cadres, also an inevitable result of economic reform, which has made them irrelevant in nongovernmental economic enterprises and even in many public ones.

But the most serious threat to the future of the party is corruption fostered by the very factors that fuel China's economic drive. The fate of the leadership's hitherto less than successful drive against graft will largely determine whether the party and the entire political system get a new lease on life after Mr. Deng.

The writer, professor of Chinese studies at the Hebrew University, contributed this comment to the International Herald Tribune. This is the first of two articles.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1896: Curbing Pox

LONDON — The *Times*, in a leader on the meeting of the Sanitary Institute says: "The influence of vaccination in preventing smallpox or in mitigating the attack, when practised even after exposure, which had once been an isolated and unintelligible fact, has within the last two or three years been brought into line. Not only smallpox but other zymotic diseases, and even inoculations of snake venom and other animal poisons, are likely soon to be brought under control.

1921: A Dancing Ban

VIENNA — The police have prohibited the public taking part in dancing at cabarets, restaurants and concert-cafes. The Austrian Minister of the Interior considers that public dancing of that nature does not harmonise with Austria's financial plight and would cause foreign business men to believe that Austria is making no effort to reconstruct her industry and export trade. Dancing in the cabarets and cafes is punishable with imprisonment or a heavy fine.

1946: Japan Disarms

TOKYO — Lieutenant General Robert L. Eichelberger says the "threat of Japan as a military power has been eliminated for generations to come." At a news conference on the first anniversary of the landing of his Eighth Army at Atsugi to occupy Japan, he said, "This is a model military occupation." He said destruction of Japanese war materiel was in the final stage, and demobilization of the Japanese Army was nearly completed. "The Japanese Army," he said, "is keenly interested to learn how the democratic system of government operates."

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OPINION/LETTERS

In Europe, a Social Calamity Brews

By William Pfaff

APULIA, Italy — The march toward a European single currency has increasingly become a matter where political will overrules common sense. A triumph of the will, one might say — of German will, that of Chancellor Helmut Kohl, who remains determined that a single currency will be achieved in 1999, even if only for Germany and France.

Italy's new center-left government has until now held that Italy will be a third major country at the party, even if the present condition of the Italian economy makes this implausible. Again it was to be a triumph of will.

But last week Italy's deputy prime minister, Walter Veltroni, said what everyone can see plainly before their eyes — that all of Western Europe is in such a slump that no one is likely to meet the 1999 criteria for currency union set out in the Maastricht treaty.

He dared to suggest to the newspaper Corriere della Sera that governments might sensibly think again about those criteria, the pursuit of which continues to block employment and growth across Western Europe.

Two days earlier, the chairman of Fiat, Cesare Romini, said that if jobs and growth could be created in Italy by postponing entry into the new currency, it was worth doing.

Mr. Kohl has argued that any backtracking would jeopardize "Europe" itself. Why? The European governments agreed arbitrarily on these criteria. They have no independent or inherent merit, other than expressing virtuous sentiments concerning public debt.

George Soros, the financier and sponsor of democratic institutions in ex-Communist Europe, wrote in the latest issue of Foreign Affairs magazine that while the single-currency criteria

The pursuit of monetary union blocks growth and employment.

should logically be open to modification, if the Europeans today were actually to organize a concerted economic relaunch the results might even be good enough to allow them to meet the original monetary criteria in 1999.

He also offers a cautionary recollection of how British central bankers and governments ruined the betweenwars British economy by clinging to an overvalued pound-gold exchange rate.

People are inclined to think economists and central bankers deal in objective laws of the economy. They don't. They are as much as anyone else the purveyors of prejudice, conventional wisdom and what "everybody knows."

There is a social dimension to this that until now has not been described. Obviously unemployment, and youth unemployment in particular, is a grave evil. Overall European Union unemployment is above 10 percent. The French unemployment rate, for example, is 12.5 percent of the work force, but among young people available to work it is over 30 percent.

Of that, a disproportionately large part — in France and nearly everywhere else in Western Europe, just as in the United States — is made up of ethnic minorities. These are African and North African in Italy, France and Spain; Turkish in Germany; Afro-Caribbean in Britain.

However, there is an absolutely crucial difference between Western Europe and the United States with respect to minority unemployment. The immigrant minorities in Europe have been and remain today the working poor — if they can find jobs.

A devastating, and devastated, part of America's unemployed minorities are effectively unemployable. They are uneducated, unskilled people, the product of two and even three generations in the blighted conditions of the American inner city. This precisely is what has produced the American "welfare crisis."

In Europe, immigrant families today are intact families. They are families that came to Europe in order to work — were in fact recruited to work during the years of Western European boom. Fathers and mothers have worked and have transmitted the values of work to their children.

Moreover, those children are educated. Unlike in the United States, most public education systems in Europe are still extremely strong, effective and comprehensive. Being a teacher in primary and secondary school carries social prestige and respect. The societies themselves demand good education for children.

The young people who make up Europe's unemployed racial and national minorities lack one thing only: jobs — the opportunity to work. They want jobs, and they can do them.

Western Europe now is at a critical point in the permanent integration of its minorities, an integration that is essential if Europe is to be guaranteed social peace in the future.

If this generation of unemployed minority young people is permitted to drift on without work, this will bring upon Europe the same tragedy — the same calamity — that exists at the heart of American society. It will tend to create a self-perpetuating class of the unemployed, of minority or immigrant origin. It will tend to turn the working immigrant poor of Western Europe into a permanent underclass.

The danger is enormous. Yet the debate on the economy, on Maastricht, on monetary union rarely if ever takes it into account. Quarrels over Maastricht criteria and the political fortunes of politicians committed to those criteria, like the economic platitudes pronounced by central bankers, are of trivial consequence compared with the social disaster now in the making.

International Herald Tribune.
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Solving Urban Problems Spiritually

By George F. Will

PHILADELPHIA — There used to be a ballpark here, at the corner of Lehigh Avenue and 22d Street. It was an agreeable little bandbox called Shibe Park and then called Connie Mack Stadium, and in it the Athletics and Phillies set records for futility.

In time the Athletics left town and the Phillies left the neighborhood for a new stadium. A few years ago the Reverend Ben Smith, who is now 82, tore down the old one. Relying on prayer and an alarming amount of borrowing, he built the Deliverance Evangelistic Church complex. The church itself seats 5,000, which is more than the Phillies and Athletics often attracted to the old ballpark. And there is no more futility at the corner of Lehigh and 22d, where Father Smith's achievements are remarkable, if unremarked.

MEANWHILE

When God gave Father Smith a barrel chest and a big voice, He must have had a minister in mind. On a recent Tuesday morning Father Smith's place was rocking with the joyous noise of worshipers and the bustle of staff attending to the 32 classrooms and an even larger number of different departments — adult literacy, youth literacy, prison fellowship, one-on-one attention to drug addicts and much more — of this good works conglomerate. Churches from Georgia to Michigan, with combined memberships of 84,000 and rising, have been spun off from Deliverance, which is one of the three largest churches on the East Coast. The Nation of Islam — "nation" indeed — probably has fewer than 40,000 adherents but registers as huge news on the U.S. media's radar screens.

In a menacing neighborhood, Deliverance is an oasis of ... well, a large sign in the basketball gym says, "Absolutely No Slam Dunking." Deliverance aims to deliver order based on absolutes in an age of chaos arising from relativism. Is that quixotic? Father Smith's Sancho Panza does not think so.

He is John Difulio, 38, a Philadelphian born and bred, whose attachment to the city can be gauged by the fact that he still lives here while teaching at Princeton, a long commute away. Mr. Difulio, a political scientist, says that accumulating evidence confirms the efficacy of faith-based approaches to social problems.

The data are hardly counterintuitive. Just as the density of liquor outlets in a

In a time of chaos arising from relativism, the Philadelphia church seeks to deliver order.

neighborhood correlates with negative phenomena, the density of churches correlates with positive ones. Indeed, individuals who may not themselves go to church but who live on a block where people go to church are less likely to commit crimes or wind up on welfare. This is why Mr. Difulio is working on a program to coordinate the ameliorative efforts of the leaders of at least 50 African-American churches in the 20 largest U.S. cities.

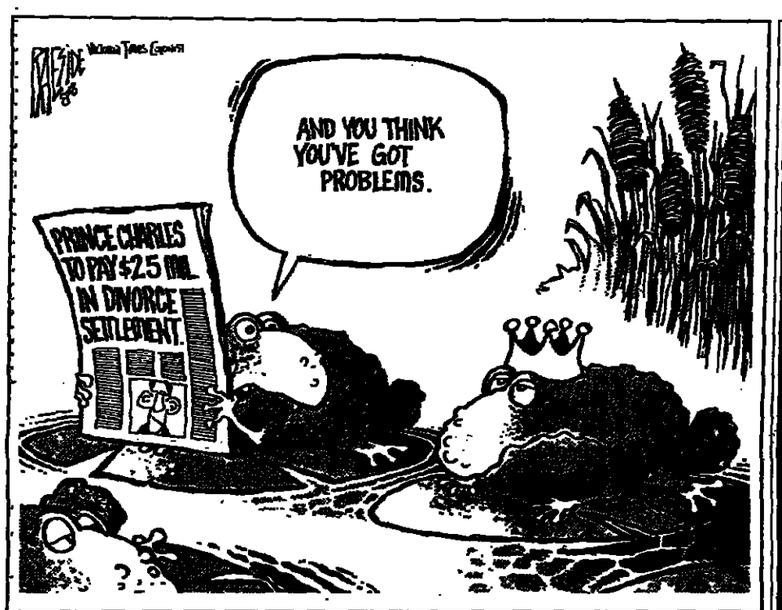
One such leader is the Reverend Eugene Rivers of Boston, who at age 12 was "drafted" into "the life" — Philadelphia's gang culture — and at age 16 was drawn out of that life and into Father Smith's orbit. Father Rivers, now 46, made it from Philadelphia's mean streets to Harvard's shaded walks. He did so, he says, largely because a "thirst for literacy" was for him, as it is for some other young people in culturally barren settings, one result of a conversion experience. He is a sophisticate who really believes that "Sunday school is the most revolutionary institution."

Father Rivers is nothing if not succinct in his diagnosis of the central affliction of inner-city youths: They have no idea of purpose or destiny arising from a sense of the sacred. He considers himself a man of the left but his cultural conservatism complements his conviction that the condition of inner-city blacks confirms the primary urgency of spiritual, not political, change. He notes that after years of political gains, America now has 8,000 black elected officials presiding over the decomposition of the black community.

A familiar, facile question is, "Can the nation save the inner-city African-American community?" That question may be backward. There are 65,000 black churches with 23 million adherents, most of them in inner cities. The nation thirsts for good news and grounds for hope about the struggles of inner-city African-Americans. Yet Louis Farrakhan becomes a celebrity on the basis of anti-Semitic and other lunatic ravings while Father Smith and thousands of unsung others like him remain invisible.

Father Rivers says that one of America's best-kept secrets is that "Ben Smith exists." Another is that African-American churches may be saving more than their communities' souls. By preaching — and demonstrating — that the solutions of most social problems begin with spiritual rather than material betterment, they may be saving the nation's soul as well.

Washington Post Writers Group.



LETTERS TO THE EDITOR

Odds for Cyprus

Regarding "Cyprus Impasse" (Editorial, Aug. 29):

Perhaps it is true that Turkish foreign policy is now "strongly influenced by nationalist politicians." Increased nationalist rhetoric clearly may further worsen the impasse over Cyprus.

However, it is unfair not to mention that Greek foreign policy has always been under the influence of strongly nationalist politicians.

While looking for a resolution to the impasses between Turkey and Greece, one has to see the daunting odds on both sides.

FARUK TIMUROGLU.
Geneva.

Income Inequality

Regarding "Devaluing Hard, Physical Work Has Costly Moral Consequences" (Opinion, Sept. 3) by Victor Davis Hanson:

I would like to congratulate Mr. Hanson. It is indeed immoral to only obtain $7 for something that is later sold to the public for $70, especially when one has done all the hard work. Only in America is this type of economic inequality found.

This phenomenon, unfortunately, is not limited to the agricultural sector. A recent article on America's elite corporate chief executives described how they pocket millions of dollars in salaries, bonuses and benefits while at the same time signing pink slips for millions of hard-working employees.

When I came to Switzerland 10 years ago, a friend taught me a lesson that I will never forget. A well-paid banking executive, I went out for a haircut before a trip to Latin America. Upon my return from the barbershop, I complained to my friend that Swiss barbers were robbers: I had just paid 35 Swiss francs for a simple haircut. In my New York days in fashionable Westchester County, I paid only $7.50, which these days would be about 9 Swiss francs.

My Swiss friend quickly explained that the barber had the same right as I did to own a house (and oh boy are they expensive here!) and he must thus charge accordingly to make ends meet. After a long, reflective pause I realized he was right.

If we really want this to be a better world, we must start sharing things — incomes first of all. I left America in disenchantment 10 years ago and I do not regret leaving.

President Jacques Chirac of France is right in seeking a "third way" to economic development; something in between the Old World cradle-to-tomb social system and the American fire-and-hire mentality. Democracy should not involve only granting voting rights to the masses; it should start with an equitable distribution of income.

Economic hooliganism should stop. American consumers should support the cause by boycotting companies that do not adhere to certain moral standards.

JULIO F. RODRIGUEZ.
Geneva.

Tempest in a Hot Spot

Regarding "The Hamptons: C'est Vrai, They Top Provence" (Meanwhile, Sept. 3):

I find more than just a touch of sour grapes in Peter Mayle's article. Comparing the Cote d'Azur to the Hamptons is like comparing foie gras to chopped liver. Each may be judged "good" or "bad" in its own right, but there is no basis for a comparison.

The south of France is unique. What it has to offer in the way of glamour and mystique has been chronicled and romanticized since the English "discovered" it at the end of the 19th century.

The Hamptons, on the other hand, are simply a place for overworked New Yorkers to get away for the weekend.

A fair comparison to the Hamptons would be the Atlantic coast of France: Brittany. You want clean water, wide beaches, scarcity of people and an abundance of nature? Brittany wins hands down. I won't mention what Brittany's restaurants have to offer that the Hamptons' don't — it would be too cruel. However, I will say what Brittany's restaurants don't have: the earsplitting noise level that is now accepted as the norm in U.S. restaurants in general and popular Hamptons eateries in particular.

I will agree with Mr. Mayle when he says that Hamptonites don't aim their cars. I spent August in the Hamptons and found the roads crowded with men, women and children in immense, trucklike vehicles. Sitting 10 feet off the ground, eating their ubiquitous ice cream cones while chatting on their cell phones, they just rolled aimlessly along, ready to crush anything that happened to be in their path.

Finally, I would like to re-emphasize that Provence defies comparison with a summer resort like the Hamptons. If he doesn't believe it, I refer him to an excellent book on the subject: "A Year in Provence." Who was that author?

R.-B. ROBERTS.
Paris.

It is profoundly to be hoped that Peter Mayle's article will inspire those naive disciples of his who have cluttered up France's Luberon Valley to abandon it in favor of the Hamptons or else to stick to the Cote d'Azur — in neither of which place would those of us who knew Provence before the Mayle book ever be seen dead.

Leave us to enjoy the "tractors clattering back and forth through the vines" instead of the professional liars chattering in the bars.

RORY O'KEEFFE.
Paris.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

INTERNATIONAL

Cruising the Mall, With Mom in Tow

Some U.S. Centers Require Under-16s Chaperoned

By Robyn Meredith
New York Times Service

BLOOMINGTON, Minnesota — Marcus Wilson, 18, has been coming to the Mall of America here once or twice a week since it opened four years ago. He buys tapes, plays video games and sees his friends, especially his girlfriend.

But starting Sept. 20, his habits will be disrupted by the mall's new chaperon policy. People under 16 — including his 15-year-old girlfriend, Stephanie Jones — will be barred from the mall on Friday and Saturday nights unless they bring a parent or other adult over 21.

Teenage shoppers who were interviewed recently said they would not be caught dead with their parents at the Mall of America, the biggest mall in the country and the coolest spot in town.

The Mall of America is one of the first shopping centers in America to impose curfews on unchaperoned teenagers. Malls from New Jersey to California are watching the effort as they, too, struggle to control rowdy teenagers.

The new policy here touches on many serious social issues: safety, race relations, parental responsibility and civil liberties. Malls have always been magnets for teenagers, but rising levels of juvenile violence have put pressure on shopping centers to limit who walks in the door.

Although the rule means that his girlfriend will be excluded on Fridays and Saturdays after 6 P.M., Mr. Wilson favors the rules because he thinks they will make the mall safer. But Ms. Jones, who works at a shoe store, said, "If I can work in the mall, I know how to handle myself." But she added, "I understand what they're trying to get at."

Every weekend night, at least 2,000 teenagers gather at the Mall of America. On wintry Minnesota Saturday nights, 3,000 teenagers swarm the shopping mall, disturbing other shoppers with chases, practical jokes and fistfights, said Teresa McFarland, a mall spokeswoman.

Still, Mr. Wilson called the policy "a little racist" because weekend nights are the only time large groups of black teenagers, like him, show up at the suburban mall, which is near the Minneapolis airport. He said that mall workers tend to hand him a copy of the mall's rules for behavior as he walks in the door, and do not give copies to white teenagers.

Ms. McFarland bristled at that suggestion, saying the mall's policy was to hand all young people a copy of the rules.

Virgil Heatwole, a mall manager, denied that the policy was directed at nonwhite youths. "It is fair; it is across the board," he said. "We are not targeting any individual, any group, any ethnic group."

Under the policy, security officers posted at each of the mall's 23 entrances will ask unchaperoned youths to prove that they are at least 16 before letting them inside. Other workers will check the halls, ejecting those who are under 16.

While many shopping centers draw customers from only their immediate communities, the Mall of America draws people of differing generations and cultures. Families from across the country, here on two-day shopping binges, mix with local teenagers, who include rebellious suburbanites with spiked hairdos as well as poorer children from nearby Minneapolis and St. Paul. It is an uneasy combination.

While the mall has more than 400 stores and is so big that its indoor amusement park sports a roller coaster and log ride, teenagers congregate on the weekends along the railings on the mall's four floors, where they can peer at one another. Parents are nowhere to be seen, and mall workers have found children as young as 12 caring for 2-year-old siblings as they wander the mall.

Recently, the fun and games have taken an alarming turn. Security officers broke up a fight between two 15-year-old boys who were quarreling about a pair of red tennis shoes, Mr. Heatwole said. One boy had lifted the other's feet off the ground as if he intended to throw him over the railing, Mr. Heatwole said.

While the problems seem magnified here because of the mall's sheer size, they are common on a smaller scale at shopping centers around the country, mall managers and others in the industry said.

The Mall of America said it had partly patterned its policy after a shopping center in Asheville, North Carolina, that three years ago began requiring teenagers to have chaperons on Saturday nights. Sunrise Mall in Corpus Christi, Texas, requires children under 14 to be accompanied by an adult at all times.

Alejandrino Gonzalez/Reuters

CLASHES IN MEXICO — People hiding behind an army humvee during a gunfight between the army and Popular Revolutionary Army guerrillas in the mountains near Chilpancingo, in southern Guerrero state. The army was searching for the guerrillas after a wave of attacks on government installations last week.

BOOKS

THE FREQUENCY OF SOULS

By Mary Kay Zuravleff. 244 pages. $23. Farrar Straus Giroux.

Reviewed by
Donna Rifkind

CAN a novel survive on quirks alone? Mary Kay Zuravleff's first book of fiction, "The Frequency of Souls," is an amiable comedy of manners distinguished by what amounts to a festival of eccentricities exhibited by its characters.

At various times, Zuravleff's voice brings to mind the goofy metaphysics of Tom Robbins, the caricaturing cleverness of John Kennedy Toole and the dignified slapstick of David Lodge as she aspires to send comedic sparks flying from the unlikely subject of refrigeration engineers in and around Washington, D.C.

The novel's hero, George Mahoney, a designer at the Coldpoint refrigerator plant in Rockville, Maryland, is outfitted with the full regalia of the electrical engineer, from his clip-on tie to his gum-soled shoes.

Thirty-nine years old and solidly married to his college sweetheart, Judy, a "tightly laced" Georgetown real-estate broker, George has developed a midlife crush on his new co-worker, Niagara Spense, 28, who is six feet tall and wears crudely homemade dresses, thick eyeglasses and a hearing aid.

What attracts George to Niagara — aside from his libidinous observation that "everything that was held close on Judy's body was splayed and dangling on Niagara's" — is her belief in the affinity between science and spirituality. She's using her job to finance a bold idea: Having installed a satellite dish outside a trailer full of tubes and wires, she means to try to channel the dead through radio waves. ("I'm listening for the bones of souls," she explains.)

George, on the other hand, "convinced that the universe was soldered together with logic," has always looked to science to provide only comfort and practicality.

But after 14 years of designing butter softeners and ice makers, George is wondering if he isn't a little stale, and whether Niagara's enthusiasm for mysterious scientific possibilities might not provide the ignition he needs to jump-start his life.

Side by side with this high-minded flirtation going on among the refrigerators at Coldpoint is an equally spirited domestic comedy, which plays out in the Mahoneys' sprawling home. Here George and his two children are all chafing a bit under the tight control of compulsively organized Judy — particularly Harris, the Mahoneys' chubby, precocious 12-year-old son.

George is sympathetic toward Harris's resistance to Judy's campaign to curb the boy's weight, having himself suffered so tyrannical a mother that her death brought him profound relief. ("George had pledged to outlive her, which is not the same as hoping she would die. . . . He felt as if a jagged rusty trap had finally released his leg, a leg that the trap itself had somehow brought into existence.") Meanwhile, Harris is plotting to stun his family with his surprise sixth-grade entry in the school science fair, while Sheridan, his bouncy 6-year-old sister, has to contend with a mother whose bedtime reading includes a volume titled "How to Raise Your Daughter to Be Financially Independent, Emotionally Secure."

In truth, Judy's dictatorial efficiency does this family rather more good than harm, keeping the household running smoothly and providing George, whom his wife has labeled a "textbook passive-passive," with a degree of physical and emotional comfort which, despite his office crush, he is mightily reluctant to surrender.

Though it would be unfair to disclose whether or not George chooses to "jump into a barrel and throw himself down Niagara's falls," it is safe to say that Zuravleff's novel has at least as many shrewd observations about marriage as it has about adultery: "It occurred to [George] that being married was like owning all your favorite songs. They were so familiar that you often forgot to play, let alone enjoy, them."

What is one to make of this sweet-natured, wacky book? It's certainly nowhere near as deep as a lot of this year's models, and all those quirks can be a disconcerting feature. Yet "The Frequency of Souls" is too engaging to be dismissed as just one more wavelet in the tide of new fiction.

Yes, it's ultimately a superficial, even a frivolous effort, despite all of Niagara's lofty ideas about listening for the voices of the dead. But who's to say there isn't a place for the lightweight first novel, especially one as brisk and bracing as this, on a steamy summer day?

Donna Rifkind, whose reviews have appeared in the Wall Street Journal, the American Scholar and other publications, wrote this for The Washington Post.

BRIDGE

By Alan Truscott

ON the diagramed deal South used a modern idea in responding to a strong artificial two-club opening. Since a natural two no-trump response frequently results in a no-trump contract with the strong hand as dummy, it can be used by agreement to show a weak hand with a long suit. North used three clubs to ask South to show his suit, and then raised to slam.

West led the club jack, and South won with dummy's ace, knowing that the K-Q must be on his right. He drew trumps, led to the spade queen and cashed the diamond ace. He then ruffed a diamond, cashed his penultimate trump and reached this ending:

NORTH
♠ A K 10
♡ —
◇ J
♣ 8

WEST	EAST
♠ 9 7	♠ J 8 6
♡ —	♡ —
◇ K 9 7	◇ Q
♣ —	♣ K

SOUTH
♠ 5
♡ 8
◇ —
♣ 10 6 5

On the last heart, West threw a diamond and dummy a club. East thought he had to keep all his black cards and gave up the diamond queen. South read the position accurately and led a club, scoring three spades in dummy at the finish to make his slam.

The same contract developed similarly in the replay. But South saw doom impending and parted with a spade at an early stage. South did not suspect that the jack was now vulnerable to direct attack, and finessed the spade ten at the finish with disastrous consequences.

NORTH (D)
♠ A K Q 10
♡ A K 4
◇ A J 3
♣ A 8 2

WEST	EAST
♠ 9 7 4	♠ J 8 6 2
♡ 9 8 3	♡ 10
◇ K 9 7 5 4 2	◇ Q 10 8
♣ J	♣ K Q 9 7 3

SOUTH
♠ 5 3
♡ Q J 7 6 5 2
◇ 8
♣ 10 6 5 4

Both sides were vulnerable. The bidding:

North	East	South	West
2 ♣	Pass	2 N.T.	Pass
3 ♣	Pass	3 ♡	Pass
6 ♡	Pass	Pass	Pass

West led the club jack.

France Reviews Brain-Death Rules for Organ Grafts

The Associated Press

PARIS — Pressed by a chronic shortage of organs for transplant, France for the first time is drawing up guidelines to help doctors determine when someone is brain-dead.

The Council of State, France's constitutional watchdog panel, is reviewing new guidelines and will make its ruling in November, the Paris daily Le Monde reported in its Thursday edition.

Previous attempts to define when a patient is clinically dead have been blocked by differing scientific opinions since 1994, when France passed a bioethics law calling for clear guidelines. These are important in determining when a patient has passed the threshold of any possible recovery — and whether the person should be considered a candidate for organ donation.

As in other Western nations, hearts, lungs, kidneys, livers and other organs are in short supply in France, and there are long waiting lists for transplants.

Le Monde said the proposed guidelines aim to eliminate the possibility of any misdiagnosis of brain death, and make all hospitals follow the same rules.

Among other things, doctors would not be able to declare a person "brain dead" — even if the person was in cardiac and respiratory arrest — unless patient exhibited certain conditions, including complete unconsciousness and lack of spinal reflexes.

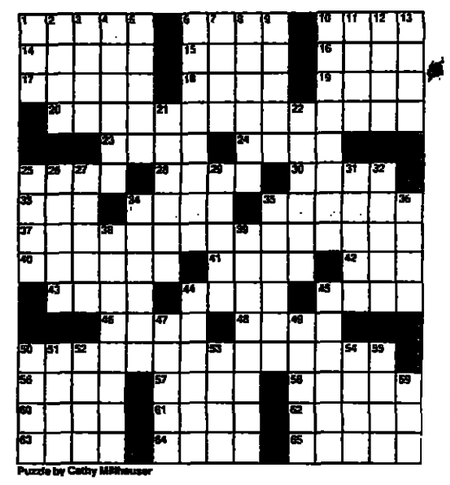
Doctors also would have to demonstrate evidence of irreversible brain damage through a series of clinical tests, including two electroencephalograms, Le Monde said.

Only after all that would doctors declare the patient brain dead and approach the family about the possibility of organ donation, the newspaper reported.

CROSSWORD

ACROSS
1 Old math aids
6 The color of honey
10 Leave off
14 Play salesman
15 "The Morning Watch" author
16 Polaris bear
17 Light-headed?
18 Patricia of "Hud"
19 Culture site
20 Opinions of Greg Louganis?
23 Skater's leap
24 Shadow
25 Barker of 40's films
28 "Cheerio, Luciano!"
30 Drug shipment
33 Cockpit reading: Abbr.
34 Speck
35 "Sweet Lavender" playwright
37 What a Beach Boy's firecracker might do?
40 Loot
41 Tiny ringing sound
42 Speck
43 Seat of Jackson County, Tex.
44 Soup bean
45 Colon's meaning, in analogies
46 Foreign friend
48 Birds in herds
50 Qualities of Bennett Cerf's food?
56 Dyeing plant
57 Spicy cuisine
58 Cream of the crop
60 Port, e.g.
61 Sports period
62 Own up (to)
63 Pentagram
64 Vogue competitor
65 Erstwhile catalogue

DOWN
1 Celebrant's robe
2 Forward
3 Mame mine
4 Sailcloth
5 End table?
6 Nerve center
7 Kind of arch
8 Hobo's shelter
9 It may be found around the mouth
10 Showing cowardice
11 Exhort
12 Second of an ancient trio
13 Gobs
21 Right-hand pages
22 Hägar of the comics, e.g.
25 Binges
26 Abscond
27 Bore
29 Violinist's heirloom
31 City on the Aire
32 "Ready ——, here I come!"
34 Blazing
35 Hat made from jipijapa
36 Conductor Klemperer
38 Crafty one
39 Source of many book series
44 Murderous
45 Wagnerian title woman
47 "—— Mood" (1940 hit)
49 The eyes have them
50 Kit's mitts
51 Part of B.T.U.
52 Performer —— Ricci
53 Ebb
54 Abel's "Green Mansions" love
55 Arouse
59 U.F.O. pilots



Puzzle by Cathy Millhauser

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Solution to Puzzle of Sept. 4

A	R	M	S	■	F	I	R	S	T	■	S	A	V	E
S	U	I	T	■	A	L	O	N	E	■	A	M	I	S
S	T	R	A	U	S	S	T	O	N	E	P	O	E	M
T	H	O	R	N	■	C	O	N	S	P	I	R	E	■
■	■	T	R	A	M	■	P	I	T	H	■	■	■	■
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U	P	A	■	P	E	R	E	S	■	■	R	E	N	T
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HEALTH/SCIENCE

Keeping Osteoarthritis at Bay: Eat Your Vitamins

By Jane E. Brody
New York Times Service

NEW YORK — Arthritis sufferers have long believed, or at least hoped, that dietary changes might somehow relieve the discomfort in their creaky joints. But while many have sought relief by, for example, eliminating "nightshade" vegetables like tomatoes and eggplant from their diets, scientists have yet to demonstrate a connection between specific foods or nutrients and the wear-and-tear type of arthritis, called osteoarthritis, that afflicts most older people.

Now, however, a research team from Boston has produced the first tentative evidence that two vitamins, D and C, may stem the progress of osteoarthritis in the knee, the most common form of arthritis in the lower part of the body.

The studies do not suggest that these nutrients are cures or even treatments for arthritic pain. What the researchers report is that when the vitamins are consumed in above average amounts by people with early arthritic changes in their knees, the vitamins may delay or prevent the knee joint from developing the debilitating symptoms of more advanced disease.

Dr. Timothy E. McAlindon, a rheumatologist at Boston University Medical Center, and his colleagues published the results of an eight-year study that highlights a possible protective role of vitamin D in the latest issue of Annals of Internal Medicine.

The study, conducted among 556 elderly participants in the large and continuing Framingham Heart Study, found that those whose knees showed X-ray signs of osteoarthritis in the mid-1980s were least likely to experience progression of their disease eight years later if their dietary intake and blood level of vitamin D was higher than average. Most of the study participants achieving such levels were taking supplements that contained vitamin D.

Asked to comment on the new findings, Dr. Mark Hochberg, a rheumatologist at the University of Maryland in Baltimore, called the results interesting but said further studies were needed before a recommendation could be made to the public about using nutrients to prevent crippling arthritis.

Osteoarthritis involves a roughening and thinning of the cartilage, the semihard tissue that cushions the impact between bones. In the knee, this cartilage, called the meniscus, forms a disk-like cushion between the upper and lower leg bones. As the disease progresses, the cartilage develops cracks and wears away, eventually allowing bone to rub against bone, resulting in grinding noises, pain and stiffness in the joint.

IN a previous study, Dr. McAlindon and colleagues had examined the ability of antioxidants, substances that block damaging chemical reactions in the body, to halt progression of osteoarthritis in the knee. To his surprise, he found a protective effect associated with higher than average levels of vitamin C, but not with vitamin E or beta-carotene, which prompted him to conclude that oxidation reactions are not important factors in cartilage deterioration.

Rather, he said, vitamin C might be helpful because it might aid in the repair of collagen, the main constituent of cartilage. Dr. Hochberg said that vitamin C was known to play a role in the synthesis of collagen.

As for vitamin D, its potential benefits could stem from its effects on surrounding bone, Dr. McAlindon said in an interview.

Once arthritis starts to develop in the knee, he said, bony plates under the cartilage thicken and lose their flexibility and shock-absorbing properties. Vitamin D, he explained, has a direct effect on bone cells and bone growth and theoretically could have beneficial effects on bone that would stabilize the knee joint and stop progression of the arthritis. However, vitamin D would not prevent the first arthritic changes in cartilage, and, as expected, no such benefit of vitamin D was seen in the study.

Milk fortified with vitamin D is the leading dietary source of this nutrient in the American diet. Significant amounts are also found in fatty fish like salmon and mackerel, as well as in margarine, eggs, some yogurts and some fortified cold cereals.

Currently, the Recommended Dietary Allowance for vitamin D in adults is 5 micrograms (200 international units) a day, the amount in one pint of fortified milk. However, the possible protective effect of vitamin D in warding off osteoarthritis was seen at dietary levels that were two to eight times as high as the recommended allowance.

Vitamin D is also made in the skin when it is exposed to ultraviolet light from the sun. Thus, there are strong seasonal variations in vitamin D levels, especially in people in the northern states. It has been calculated that even standing outdoors naked all day in Boston in winter would not result in the recommended serum levels of vitamin D.

On Sunday in Space, Pink Socks and Jell-O

By Kathy Sawyer
Washington Post Service

WASHINGTON — If she's wearing pink socks and making Jell-O for the boys, it must be Sunday.

This is how Shannon Lucid keeps track of the weeks as they go zipping by at 17,000 miles per hour outside the windows of the orbiting home she has shared for five months with two Russian cosmonauts named Yuri.

"When light follows darkness every 45 minutes, it is important that I have simple ways of marking the passage of time," the American astronaut e-mailed friends in Houston. "Every once in a while, Yuri will come up to me and say, 'Isn't today Sunday?' And I will say, 'No, it's not. No Jell-O tonight.'"

Dr. Lucid, 53, is hardly a space-going geisha. She holds a doctorate in biochemistry and is now the most experienced American astronaut of either sex, with five space flights and several orbital records to her credit. A wife and mother of three, she is the first U.S. woman (and the second American) to fly aboard the Russian space station Mir, a 136-ton facility somewhat resembling a flying trailer park.

Since late March, when she floated aboard, she has shrugged off a stream of questions about male chauvinism or an East-West gender gap in orbit. Her credentials speak for themselves. But she has revealed glimpses of the joys and frustrations, smells and sounds of platonic cross-cultural domesticity in weightlessness above Earth.

A portrait of workaday life on her history-making flight — scheduled to end in late September — emerges in a series of her e-mail messages provided to The Washington Post, as well as occasional news conferences from Mir.

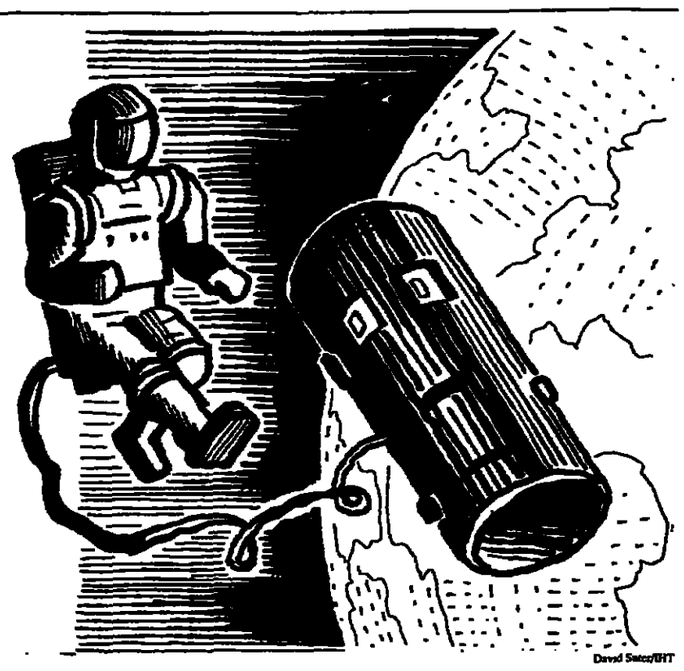
Dr. Lucid has already spent more time in space, and more on a single space mission, than any other American. And on Saturday, she will surpass the single-mission record of 169 days for women from any country. That honor is held by Helena Kondakova, the only Russian woman who has made a long-duration flight on Mir.

Now Dr. Lucid has begun to pack for departure. The "the two Yuris," as she sometimes refers to them, departed for Earth this week after two new replacement cosmonauts arrived on Mir.

The issue of how the Russian space program treats women arose in part because of comments by Yuri Glazkov, deputy director of the Gagarin Cosmonaut Training Center in Star City, near Moscow.

"We do not distinguish, professionally, between a man and a woman as an astronaut or a cosmonaut," he said at a Houston news conference before Dr. Lucid took the shuttle to Mir.

Then he added, "We anticipate that the fans will be taken care of in a more timely manner because we know women love to clean and they will take care of the fans in order to allow less dust in the environment." Dr. Glazkov later told colleagues he was misunderstood or mistranslated.



David Swize/IHT

THE high-stakes U.S.-Russian missions are designed in part to test whether representatives of the two former Cold War enemies can find happiness together while confined to small spaces in outer space.

Dr. Lucid herself has expressed dismay at the fact that the early American astronauts were all men.

In their five months together, however, she, Commander Yuri Onufrienko, 35, and flight engineer Yuri Usachev, 38, got along "just real fine," Lucid said repeatedly, in her mild Oklahoma twang. On the other hand, she has indicated that six months in space will have been plenty. Asked what she's learned about herself up there, she said, "I think my family would be surprised at the patience I've developed."

Somebody unnamed sent the pink socks into space with her as a surprise, she explained, and she "decided to wear them on Sundays." As for the Jell-O, she just loves it. It is packaged in a standard NASA drink bag. "We just add hot water, put the bag in the refrigerator and have a great treat."

Dr. Lucid lives in a module separate from the men, with her own toilet. "I do have all the privacy I need," she said. She tries to exercise at least once a day. In zero gravity, her foot calluses have disappeared. She washes her hair only every three days, instead of every day as she does on the ground, using NASA's standard "no-rinse" space shampoo. Water being a costly commodity in orbit, she hasn't had a real shower since she left Earth — only sponge baths.

She mentioned in a recent e-mail that whenever her comrades went out for a spacewalk, leaving her alone inside, "Yuri takes a big piece of red tape and puts it across the communications controls I am absolutely not to touch." Unperturbed, she said she would do the same thing herself, or worse, if it were her spaceship and the roles were reversed.

Aging Men, Too, Face Bone-Wasting Risk

New York Times Service

NEW YORK — Men may be justified, though incorrect, in thinking that they are invulnerable to osteoporosis.

This bone-wasting disease occurs slowly and silently and has been labeled "a woman's disease" because women are far more vulnerable to it and the fractures it causes. Half of all women develop it, and one woman in two over the age of 65 suffers one or more bone fractures because of it.

But men get osteoporosis, too, and 20 percent of American men will suffer at least one fracture because their bones have become too thin and weak to withstand the normal stresses of life.

A simple fall that in boyhood resulted in a scraped elbow or knee can mean a fractured wrist or hip for an older man. Hip fractures are serious; one-third of men who break their hips die within a year from complications of the fracture or its treatment. And because grown men rarely have their height checked, many are unaware of the inches they lose with age, the consequence of vertebral fractures caused by osteoporosis.

Sometimes these spinal fractures are all too apparent, causing severe back pain and a bent posture. Even then, many men wait for the discomfort to subside and ignore the developing spinal deformity. However, osteoporosis in men and women can nearly always be prevented. If the condition is detected early, treatment can prevent significant bone loss and fractures.

The most common risk factor is age. Bones in men and women continue to become more dense until about the age of 30, then gradually thin out.

Though bone may seem solid and immutable, it is a tissue in constant flux. Calcium and other minerals are continually being leached from bone and replaced by minerals in the blood that are absorbed from foods and supplements. If the amount of restorative minerals falls short of what is lost or if the hormones that influence bone density are in short supply, the bones slowly get weaker.

In women, particularly those who do not take replacement estrogen, bone loss accelerates dramatically within the first five years or so after the onset of menopause. Since women usually start out with thinner bones than men, this loss puts them at great risk of fractures as they age. Men do not experience a sudden decline in bone mass, but their more gradual losses add up. The older a man is, the greater his bone loss is likely to be.

BUT, as one 52-year-old man learned the hard way, you do not have to be "old" to develop osteoporosis. In an interview conducted by the National Osteoporosis Foundation, the man, a golfer, said his first indication of a problem had been an intense pain in his back as he swung his club. The diagnosis: an osteoporotic fracture of a vertebra. Another man, 55 years old, was forced by fragile bones to take early retirement from a job he loved.

A low level of the male sex hormone testosterone, which is common in older men, fosters bone loss. Testosterone is converted to estrogen in the body and, as in women, estrogen is crucial to bone strength in men. Men are especially at risk if they have testosterone levels that are low enough to result in impotence and absence of nocturnal erections.

Chronic diseases that affect the kidneys, lungs, stomach or intestines or that alter testosterone levels also place men at greater risk of osteoporosis. Such ailments may require treatments that leach minerals from bone or that interfere with the absorption of bone minerals or their incorporation into bone.

For example, significant bone loss can result from prolonged exposure to steroids (like prednisone or others), from anti-convulsant medications and from aluminum-containing antacids and some cancer drugs. Aldactone, a diuretic used to treat high blood pressure, can reduce testosterone levels.

But the most prevalent risk factors involve men's smoking and drinking habits, exercise patterns and diet. In a 16-year study of osteoporosis in men, Dr. Charles W. Slemenda and his colleagues at the Indiana University School of Medicine in Indianapolis found that smoking and drinking outweighed heredity as risk factors for osteoporosis. Their study of 111 men, including 48 pairs of twins, found that the more the men smoked, and the more alcohol they consumed, the greater their rate of bone loss was as they got older.

Jane E. Brody

Mapping the Subtle Wrinklings of the Earth's Surface

By William J. Broad
New York Times Service

NEW YORK — The surface of the earth is alive with motions too subtle for direct human observation, the slow wrinkling of the planetary skin, that pose considerable risks to cities and people. Slow shifts of the earth's plates regularly build up strains that cause earthquakes. Volcanoes swell before they explode. Glaciers move and polar ice packs break up as the earth warms, raising seas and threatening to flood coastal areas.

Such motions have been excruciatingly hard to monitor on a regular basis, which is the kind of surveillance needed for thorough study and hazard warning.

Now, however, a new kind of space radar is beginning to map the earth in stunning topographic detail and to reveal a wide range of previously hidden creepings, swellings and subsidences. With at least four satellites in orbit and more planned, the results of this mapping are exciting scientists around the globe.

"It's a great leap forward," said Dr. Howard A. Zebker, a geophysicist and electrical engineer at Stanford University who helped develop the technique. "It's like suddenly having X-rays to see inside a body."

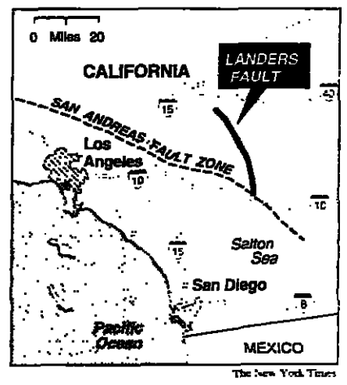
The method goes by the tongue-twisting name of synthetic aperture radar interferometry. To date, it has produced spectacular images of slight but significant changes in places like Landers, California, where a 1992 earthquake shattered the high desert east of Los Angeles; Kobe, Japan, where a 1995 earthquake killed thousands of people; Mount Etna, Sicily, where an eruption between 1991 and 1993 unexpectedly shrank the old volcano; the ice fields of Chile, where a glacier surged forward in 1994; and Antarctica, where a huge ice floe that may have have been produced by global warming was monitored in 1992 in great detail.

Snapped by satellites hundreds of miles up, the radar images of the planet's surface include bands that indicate elevation shifts on the ground as small as three centimeters, or a little more than an inch.

Dr. David T. Sandwell of the Scripps Institution of Oceanography in La Jolla, California, who discusses the radar method in the current issue of the journal Science, said it had major implications for monitoring not only natural changes but also those caused by human activity.

For instance, pumping underground oil and water to the surface can cause the ground to sink over wide areas. Monitoring the beginnings of such sinking could aid in planning land use and putting controls on pumping. And nuclear explosions deep underground make telltale depressions at the surface, the tracking of which could aid arms control.

"It's revolutionary," Dr. Sandwell said of the radar technique in an interview. "There are all kinds of neat things you can do."



The New York Times

Probably the best beer in the world.

In Israel For Business

At a Glance

Neither city has a clearly defined center. Nor do they have a single central location for business or cultural activities. Tel Aviv, which includes the biblical port city of Jaffa, basically runs on a North-South axis, the westernmost part of which meets the beach at the Mediterranean. Street numbers on those streets running east-west start at the sea, and numbers on streets parallel to the sea start at the southernmost end of every street.

Jerusalem is more confusing at first glance, for the city is actually a collection of neighborhoods and small villages in which streets seem to start and end without any apparent logic. The walled Old City, where many of the religious shrines are found, is a maze of crisscrossing streets, but visitors rarely get lost as multilingual directional signs are designed to keep them on the right track. Well-indexed city maps are available free from the Ministry of Tourism offices and hotel concierges.

Getting Around

Both cities have an abundance of taxis and good bus systems. Taxis are relatively inexpensive and can be ordered by telephone or flagged on the street. Inner-city taxi fares are paid according to the meter price. Fares between cities are paid according to fixed price schedules, and hotel concierges can tell you what the fare will be to any point in the country. Tips are included in taxi fares, but you can round the price off if you like.

In a Word

Hebrew is spoken everywhere, and Arabic will most commonly be encountered in parts of Jerusalem and Jaffa. Many Israelis speak English fluently and, because the country has immigrants from more than 80 nations, it is not difficult to find people speaking French, Russian, Spanish, German or Italian. Street signs are frequently in Hebrew, Arabic and English.

Wining & Dining

Fifteen years ago, the most popular food in Israel was probably felafel, ground balls of deep-fried chickpeas that could be bought at street stands everywhere. Happily, there has been a culinary revolution, and a group of primarily young chefs have introduced fine dining based on a fusion of the best French methods and the finest local ingredients. The better restaurants are relatively dear.

The country has also gone through a wine revolution, and at least one winery, The Golan Heights Winery, is now producing wines that rival the best of California, Australia and other New World wine-producing countries. Try especially their Cabernet Sauvignon, Merlot, Sauvignon Blanc and Chardonnay.

In Jerusalem

Arcadia: Rehov Agrippas 10. Tel: 624-9138. Working together, chefs Ezra Kedem and Tamar Blay have created a cuisine that is contemporary and light, equally influenced by France and the Mediterranean. Among the best dishes I sampled here were the grilled giant shrimp on a bed of endive, a block of goose liver served with a vanilla-flavored oil, the carpaccio of lamb, zucchini flowers filled with seafood mousse, and ravioli filled with pumpkin purée. Prices are moderate to high.

Fink: Rehov Histadruth 2. Tel: 623-4523. Invariably listed as one of the 10 best bars in the world, it is said that any diplomat, politician or public figure who has never been here is simply not worth knowing. Not great dining, but a good place for less formal business meetings or just to unwind.

PIX SA

Mishkenot Sha'ananim: in the Yemin Moshe Quarter. Tel: 624-4696. With its exquisite panoramic view of the Old City, this elegant bastion of fine cuisine also houses a world-class wine cellar. The *tournedos à la Rossini* and the roast duckling with figs are as good as you will find anywhere. Expensive.

Oceanus: Rehov Rivlin 7. Tel: 624-7501. Chef-owner Eyal Shani has made this into what may be the best fish and seafood restaurant in the country. His carpaccio of sea bass, clams in white wine sauce, crabs in pastis and herbed, roasted sea fish are admirable. Expect to part with a good deal of money for the privilege of dining here.

Pini's Restaurant: Rehov Yaffo 31. Tel: 625-9570. Tucked away in a narrow alley, this is the kind of eatery that gave simplicity its good name. One of the best places in the city to feast on Middle Eastern salads and charcoal-grilled skewers of meat (including goose liver). Reasonable prices.

In Tel Aviv:

Birnbaum and Mandelbaum: Sderot Rothschild 35. Tel: 629-3222. Primarily for carnivores, this postmodern interpretation of a New York City steak house features great chopped chicken liver, fabulous corned beef sandwiches and world-class steaks. Not too pricey.

Kapot Tmarim: Rehov Ahad Ha Am 60. Tel: 566-3166. By relying in equal parts on regional ingredients, the cooking styles of France and Italy, and a good deal of creativity, chef Offer Gal has created an ambiance and cooking style that are worthy of note. Try the lamb's brain salad, shrimp lasagne, quail filled with foie gras and grilled pigeon in port wine. Expensive.

Keren: Rehov Eilat 12. Tel: 681-6565. Chaim Cohen is a remarkably talented chef, and his free use of aromatic herbs and light sauces often produces superb dishes. Among his most admirable offerings are the eggplant filled with goats' cheese, carpaccio of beef fillet with a confit of garlic, calamari salad and shrimps in crab sauce. Expensive but worth it.

Lilith: Rehov Mazeh 42. Tel: 629-8772. Californian inventiveness and Mediterranean ingredients come together well in this especially attractive restaurant. Try the gravlox, the grilled calamari, the hamburgers with chalumi cheese and the herbed pork fillet. Prices are high but not outrageous.

Moul Yam: in the old Tel Aviv port. Tel: 546-9920. French-Mediterranean in style, this excellent oyster bar and seafood restaurant features such dishes as grilled coquilles Saint Jacques, lobster with zucchini, Jerusalem artichokes and penne pasta. Try any of the crabmeat dishes and the excellent desserts. Prices are high.

Pronto: Rehov Nachmani 26. Tel: 566-0915. By far the best and most creative Italian cuisine to be found this side of the Mediterranean. The panzarotti filled with cheese and basil, the spaghetti with clam sauce, the herbed quail with risotto and the chicken alla Diabolo are worthy of note. Moderate prices.

Tapuach Zehav: Rehov Karl Netter 1. Tel: 629-6931. Arguably the best restaurant in the country. Restaurateur Israel Aharoni and chef Jonathan Roshfeld present a creative cuisine that is as French as it is Mediterranean. The foie gras dishes, the lobster cappuccino, the saddle of lamb and the lobster in two acts are especially exquisite. Expensive, but worth it.

Tsion Exclusive: Rehov HaP'dueem 28 (in the Yemenite quarter). Tel: 517-8714. In this Middle Eastern-cum-Yemenite restaurant, you can start off with genuinely good regional dishes, including humous, tehina, kubbeh and meat-filled "cigars." Continue with the Yemenite meat soup and then any of the shishliks, kebabs or grilled fish dishes. Moderate prices.

Calling Around

Country Code: 972. Jerusalem City Code: 2. Tel Aviv City Code: 3. Operator assistance for local calls: 144; for overseas calls: 188. Police emergencies: 100. Ambulance: 101.

Daniel Rogov

"BUSINESS TRAVEL WITH ITT SHERATON" *was produced in its entirety by the Advertising Department of the International Herald Tribune.*
WRITER: *Daniel Rogov, restaurant and wine critic for Ha Aretz.*
PROGRAM DIRECTOR: *Bill Mahder.*

Next Area

AFRICA

ITT Sheraton For Business or Pleasure in Israel

THE TOWERS OF ITT SHERATON rise high in both of Israel's leading cities, Jerusalem and Tel Aviv.

The deluxe Sheraton Jerusalem Plaza benefits from a central location within walking distance of the Old City and the modern part of town, offering panoramic views of both. Its 300 rooms, including 21 suites, are decorated in an elegant modern style and equipped with all the amenities international business and vacation travelers expect.

The Sheraton Jerusalem Plaza is known for the quality of the restaurants it houses. The newly renovated Cow on the Roof offers top-of-the-line French cuisine, while Primavera is an Italian restaurant that faithfully reproduces the aromas and flavors of a Roman *ristorante.* In summer, the Terrace serves barbecued meats and fish against the backdrop of the city's enchanting skyline.

The Ninth Gate lounge is a place to relax and enjoy dessert with tea or coffee, or an aperitif before dinner. At the Shabbat lunch buffet, guests choose from a wide variety of salads, cold cuts, hot dishes and desserts.

Conference facilities offer everything from intimate meeting rooms to lavish banquets for up to 500 people.

Just an hour away by car is the Sheraton Tel Aviv Hotel & Towers. This sunny city's top hotel, is located on the shore of the Mediterranean, just steps from the beach and near sailing and windsurfing facilities. The hotel itself has two outdoor swimming pools and a mini-health club.

When it is time to leave the beach or pool and get down to business, the Sheraton Tel Aviv Hotel & Towers makes it easy with its new Business and Communication Center, which offers a full range of services 24 hours a day. Conferences and banquet facilities can accommodate up to 350.

The hotel has 350 bedrooms equipped with all the latest facilities, including computerized bedside panels. The Tower rooms have a private reception area and lounge and other special services.

There are several in-house options for dining. The Twelve Tribes Grill Room serves gourmet food, while the more informal Kum Kum Restaurant, with its fabulous sea view, offers creative menus and a lavish breakfast buffet, complete with live piano music. In the Lobby Lounge, which also has a lovely view of the shore, guests can partake of snacks, light meals and drinks.

Sheraton Jerusalem Plaza Hotel: 47 King George Street, Jerusalem 91076. Tel.: (972-2) 259 111. Fax: (972-2) 231 667.

Sheraton Tel Aviv Hotel & Towers: 115 Hayarkon Street, Tel Aviv 63573. Tel.: (972-3) 521 1111. Fax: (972-3) 523 3322.

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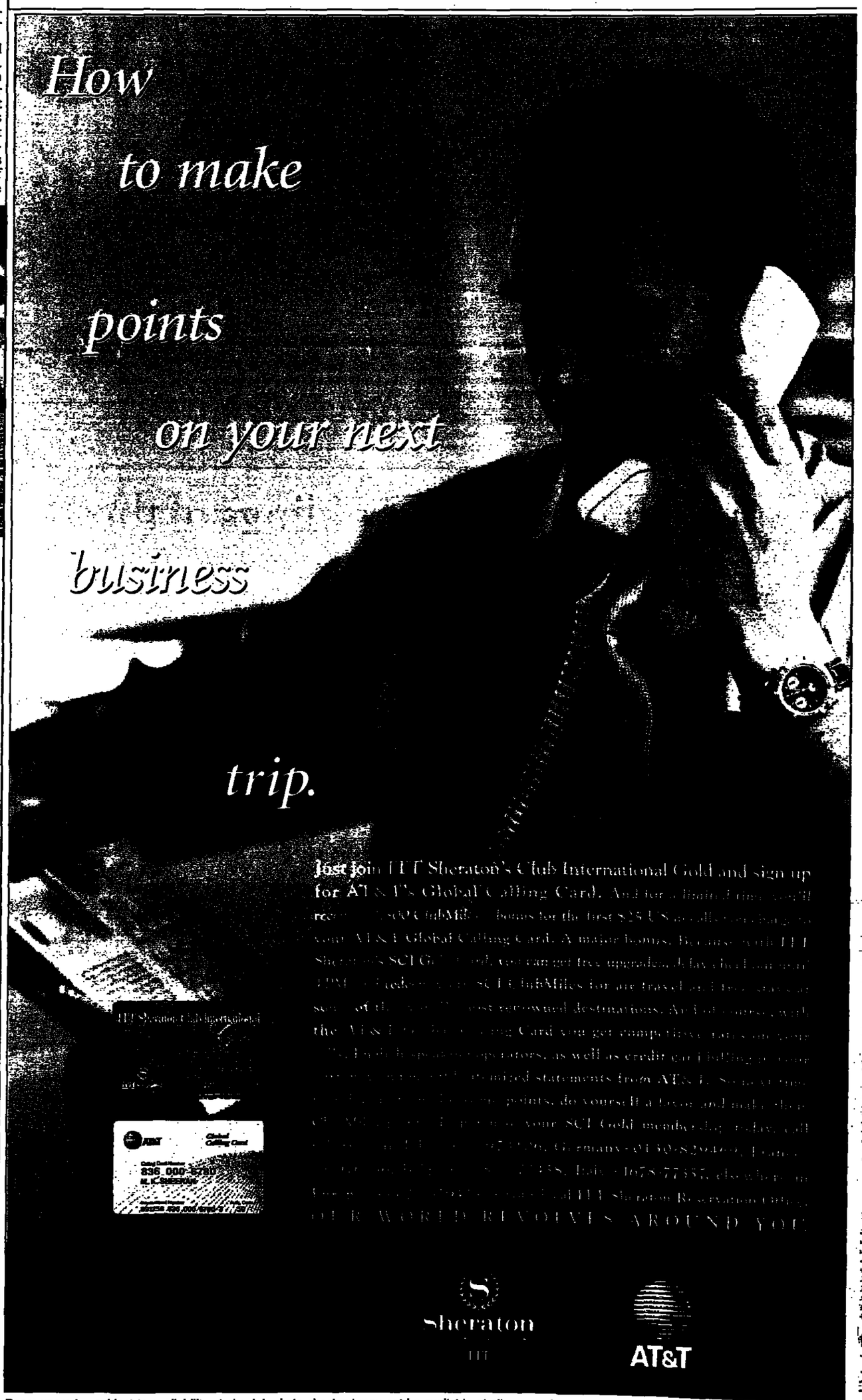

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France's Economy Stalled in 2d Quarter

EU Deficit Goals Are Put in Doubt

By Alan Friedman
International Herald Tribune

PARIS — The French economy contracted 0.4 percent in the second quarter of 1996, and economists said Wednesday that the poor performance made it increasingly likely that France would miss the deficit targets for Europe's monetary union.

The economy shrank after having grown in the first quarter by 1.1 percent, a rate that was itself a downward revision. Official data showed that in the three months ended June 30, consumer spending was down, along with factory output, while major corporate investments were delayed across France.

Several economists said the drop in gross domestic product, which was sharper than expected, highlighted the difficulties that the government of Prime Minister Alain Juppe faced as it tried to meet the conditions for France to join Europe's planned single currency on schedule in 1999.

"These are very poor numbers indeed," Paul Mortimer-Lee, chief market economist at Banque Paribas Capital Markets, told Bloomberg Business News. Mr. Mortimer-Lee, along with other economists, said he might reduce his 1996 growth forecast for France to 1 percent from 1.2 percent.

"The GDP number today," said Carl Weinberg, an economist at High Frequency Economics in New York, "just underscores the inconsistency we have known about for a long time, that the French government cannot create jobs and qualify for European monetary union and maintain the strong franc at the same time. Something has got to give."

Mr. Weinberg said he was forecasting 1996 French growth of just 0.8 percent, which he said was "barely half enough growth to make their already optimistic budget projections work."

The official French forecast is for 1.3 percent growth this year, a figure that has already been revised downward by the government from 2.8 percent. On Tuesday, France's budget minister, Alain Lamassoure, said a growth rate of 1.3 percent was "not yet impossible."

Economists and financial markets remain skeptical that France can simultaneously achieve drastic spending cuts that could depress the economy further and cause fresh social unrest, fulfill the government's pledge to tackle 12.5 percent unemployment and reduce the deficit enough to meet single-currency terms. Yet the government now seems poised to offer a small tax cut in 1997.

Le Monde reported that Mr. Juppe would offer a 1997 tax cut of about 25 billion francs ($4.9 billion). That would be nearly as much as the 35 billion francs that the French Treasury is hoping to transfer out of the pension funds of France Telecom, the state telephone monopoly, and into government coffers. It would do that to lower the government deficit to try to meet the single-currency target of having a budget deficit in 1997 that was no more than 3 percent of GDP.

The plan is already being attacked by critics as a questionable way of dressing up national accounts.

"I think there is now a good likelihood that the French deficit will be between 3 percent and 3.5 percent next year," said Eric Chaney, chief European economist at Morgan Stanley in Paris, adding that the deficit would come down to that range only if France succeeded in its plan to transfer funds from the state telecommunications company to its treasury.

Mr. Chaney, like other critics, considers that plan to be an effort to meet the conditions for a single currency through creative accounting rather than by making structural reforms in the French economy.

He termed the plan "large-scale window dressing."

Economists expect that much will be revealed in the next few weeks as both France and Germany lay out their 1997 budget proposals.

President Jacques Chirac of France, since meeting with Chancellor Helmut Kohl of Germany on Sunday, has repeatedly promised to stick to the single-currency deadline and to vanquish all doubt about France's ability to achieve its multiple goals.

Trade unions in both France and Germany, however, are threatening to make life even more difficult for the politicians by staging a series of protest strikes this autumn against proposed spending cuts and social-security reforms.

John Schmid of the International Tribune reported from Frankfurt:

As Germany's Federal Statistics Office prepared to publish its second-quarter GDP report Thursday, some economists warned of a risk that an impressive number would be misinterpreted as the start of a powerful recovery.

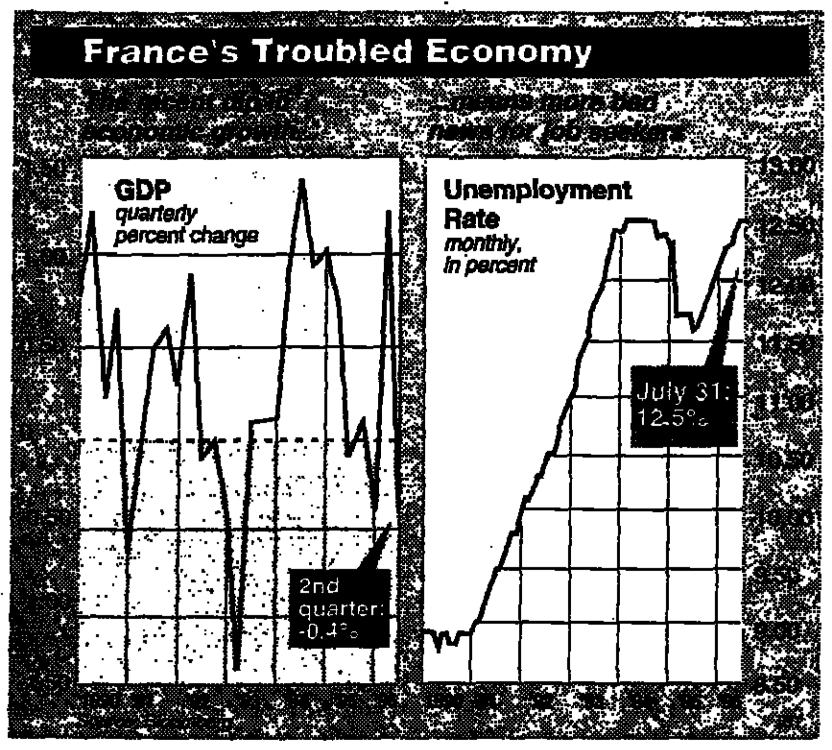
After a 0.4 percent contraction in GDP in the first three months, many economists forecast growth of more than 1 percent in the second quarter.

"Do not get overly excited about second-quarter growth," warned Manuela Preuschl, analyst at the Deutsche Morgan Grenfell investment house. A rebound in construction led the second-quarter recovery, but that will level out, economists say, and consumers will have to absorb an increase in premiums for nursing-care insurance that went into effect in July.

The Bundesbank has said the recovery in the second quarter was stronger than expected and more than compensated for the economic ravages of an unusually harsh winter. But before its rate cut two weeks ago, the Bundesbank also questioned the viability of the recovery.

The Economics Ministry said Wednesday that new orders to German factories — often regarded as a leading indicator of activity — rose a better-than-expected 0.6 percent in July, the second consecutive monthly advance.

The entire monthly gain stemmed from export orders, which rose 7.2 percent, enough to offset a 2.9 percent decline in domestic business.



De Benedetti's Exit Lifts Olivetti Stock

Investors Hope for End to Losses

Compiled by Our Staff From Dispatches

MILAN — Olivetti SpA shares rose 3.7 percent Wednesday, a day after Carlo De Benedetti resigned as chairman of the loss-plagued company.

"The vast majority of investors I would think are quite pleased," said Angela Dean of Morgan Stanley & Co. "It's a terrible thing to say, but people have felt it was best if he were to step away."

Olivetti's stock ended at 750 lire (50 cents), up 27. Analysts said investors were betting that Mr. De Benedetti's departure would leave Chief Executive Francesco Caio free to pull out of the personal-computer business, the source of Olivetti's heavy losses.

Some said shareholders also would be looking for a change of culture at the company, which has raised billions of dollars in fresh cash without always explaining where the money went and why the company kept posting losses.

"We are interested in seeing better stewardship of the company," said Mark Rogers, a fund manager at Nomura Capital Management, who last week met with other Olivetti shareholders to discuss ways of forcing the company to improve its performance. "I think this is a step in the right direction."

Mr. De Benedetti, hailed in the mid-1980s as a tycoon with the Midas touch, announced late Tuesday that he had resigned as chairman and as a director of the company he had transformed from an ailing typewriter maker into a personal-computer pioneer. His sudden departure came 18 years after he bought control of Olivetti.

Olivetti shares were near their record low, set in July, after falling 7 percent Tuesday amid rumors of another impending loss and conflict among mangers — and after Mr. De Benedetti's resignation, Olivetti did announce a pretax loss of 440.2 billion lire ($290.7 million) for the first half. It had a net loss of 1.6 trillion lire for all of 1995.

"We have to figure out if the losses were a final attempt to clean the balance sheet or if they are recurring problems," said Stefano Pizzamiglio, who helps manage 8 trillion lire in assets at Finanza & Futuro. "The company keeps saying the losses are one-off, but they have continued for five years."

Olivetti said part of the first-half loss had come out of a 200 billion lire fund established to help finance its plan to "accelerate the reduction of its presence in the hardware sector."

Analysts and investors said they wanted to know just what Olivetti meant by hardware.

"They have used an ambiguous phrase," said Susan Anthony, technology analyst at Schroder Securities Ltd.

"Most investors would like to see the PC business closed down or sold," Ms. Dean of Morgan Stanley said. "Anything, just to get out of it."

Investors also expressed concern that a son of Mr. De Benedetti had been named to a four-person advisory board and that the father had not said what he would do with the 14.5 percent of Olivetti controlled by his family holding company, Compagnie Industriali Riunite SpA. *(Reuters, Bloomberg)*

Strikes on Iraq Threaten to Raise Fuel Bills in U.S.

By Agis Salpukas
New York Times Service

NEW YORK — A surge in oil prices in the wake of the American retaliatory attack on Iraq is likely to raise the price consumers will pay to heat their homes and operate their cars this autumn and winter, analysts said Wednesday.

Crude oil prices have risen 7 percent since U.S. missiles hit targets in southern Iraq early Tuesday. The price of crude for October delivery closed in London at $22.11 on Wednesday, up a sharp $1.46 from its Monday close even though it slipped a slight 10 cents from the Tuesday close.

Oil-industry analysts said the military action had only increased the uncertainty in oil markets that had been building because of anticipated strong demand at a time of low inventories. But many also said the jump in oil prices and in major oil companies' shares would not last, because there still were adequate supplies of oil and production is expected to rise in coming months.

"This rally we're seeing in the oil prices and the oil stocks will be short-lived," said Frederick Leuffer, a analyst at Bear, Steams.

Nevertheless, about 700,000 barrels a day of crude oil from Iraq, which oil traders had expected to begin flowing this month, may instead be held off the market for some time. The United Nations suspended an agreement Tuesday that it reached with Iraq in May that would have allowed the country to export about $2 billion of oil over six months.

The ban on Baghdad's oil sales has been in effect since Iraq's invasion of Kuwait in August 1990.

Partly because of the continued ban, analysts said, prices are likely to rise for products such as heating oil and diesel fuel. Supplies of both are currently much lower than those of other petroleum products, and demand is rising.

How much more consumers might pay is hard to predict, however. Some analysts said U.S. consumers might pay about 10 cents a gallon more for heating oil this winter, but others said prices would also depend on the winter weather and on the ability of retailers to pass along higher prices.

As for diesel fuel, which has already been rising in price at the pump, analysts said its price would also depend on whether demand remained strong and whether refiners would build up their low inventories.

Many were cautious about predictions. They said that for every trend indicating energy prices should rise, there were other trends that could keep prices down in the next six months.

The surge on Tuesday and Wednesday in energy markets was broad-based, however, as heating oil and gasoline prices also rose over the two days.

Some analysts predicted that the loss of the anticipated Iraqi oil would be largely offset by the extra supply — well in excess of 1 million barrels a day — that is expected to come onto the world market in the fourth quarter because of increased production in the North Sea and the Gulf of Mexico.

That amount of oil, they said, could help keep prices from rising still further, even though many oil companies would be buying to replenish inventories.

Even if the price of crude oil eventually settles back, some said, diesel fuel and heating oil could still rise.

"We could have very high prices," said Phillip Verleger Jr., an energy analyst for Charles River Associates in Washington.

"Inventories are bare," he said. In some ways, the situation is similar to that in the spring, when U.S. refiners held down their inventories of crude, anticipating that Iraq would return to the market and drive down prices.

Instead, prices rose as Iraq failed to reach an agreement and refiners pushed through higher prices for gasoline, which was in strong demand. Prices jumped, causing an outcry among consumers and in Congress.

INTERNATIONAL MANAGER

New U.S. Specialty: Reputation Repair

By Reed Abelson
New York Times Service

NEW YORK — When a company is accused of wrongdoing, whom can it call to help repair its reputation?

In the United States these days, the answer has often been Gary Lynch, the former director of enforcement for the Securities and Exchange Commission. In 1994, Kidder, Peabody & Co. chose Mr. Lynch, who is now a lawyer at Davis Polk & Wardwell, to look into whether one of its bond traders, Joseph Jett, had created $350 million in phony profits. Bausch & Lomb Inc. recently asked him to investigate some questioned accounting practices.

In July, Mr. Lynch completed an investigation for Mattel Inc. into claims that it was inflating its earnings.

The hiring of an outside lawyer to conduct an independent investigation is seen as a signal that a company accused of wrongdoing is committed to getting to the bottom of the situation. Mr. Lynch, whose high-profile career at the SEC involved bringing the prominent Wall Street cases of the 1980s against Michael Milken and Ivan Boesky, lends a company not just his expertise in finding the facts but a reputation for integrity.

"Gary has an enormous degree of credibility with government officials," said John Liftin, a senior vice president and general counsel for Kidder. "They believe him. They trust him."

But as much as companies would like the public to believe otherwise, Mr. Lynch's reports, which cleared top executives at Kidder and Bausch & Lomb and exonerated Mattel, are not necessarily the last word. Critics point out that Mr. Lynch was representing Kidder in a case against Mr. Jett even as he was conducting his own fact-finding inquiry. Bausch & Lomb Inc.'s board kept Mr. Lynch's report under wraps. So did Mattel, whose accusers objected that Mr. Lynch had readily shared information with Mattel during his inquiry.

While there is no evidence that Mr. Lynch failed to uncover the truth in these cases, analysts said, independent investigations such as Mr. Lynch's, even the most thorough and objective, are still no substitute for government inquiries or court proceedings.

"There are certain inherent limitations on any effort," said Richard Breeden, a former SEC chairman.

Mr. Lynch defended the quality of his work, saying, "I've worked very long and hard over a number of years to earn my credibility." Although he declined to discuss the inquiries in detail, saying he had not been authorized by his clients to do so, Mr. Lynch said he would never do anything to "tarnish or compromise" his reputation.

Mr. Lynch is just one of several former government officials whom companies have hired in hopes that their good names will help restore sullied corporate images. The group also includes Lynn Martin, a former secretary of labor, Griffin Bell, a former attorney general, and Harvey Pitt, a former counsel at the SEC.

"Sometimes you do have to choose a name player to regain the credibility that has been stolen from you by the alleger," said Peter B. Frank, vice chairman of Price Waterhouse LLP, which has helped companies look into charges of wrongdoing.

But critics say a good name alone is not good enough. Shareholders and prospective investors are at a loss to assess the quality of any inquiry, they say, unless important information about how an investigation was conducted and how the conclusions were reached is also disclosed. "The idea that somehow the name alone is the answer is foolishness," said Neil Getnick, a lawyer in New York who has helped draft a series of guidelines for independent investigators.

"An investor," said Ralph Whitworth, a prominent shareholder advocate, "can't find comfort in just the reputation of the investigator."

Problems can arise because management may seem too interested in the outcome, or the investigator may appear to have a conflict that could affect his conclusions. Investigations also vary greatly in quality, depending on the resources and instructions given to the investigator. "A lot of what is called an independent investigation is really advocacy," said Edwin H. Stier, a lawyer in Washington and New Jersey who has conducted several such investigations.

Staples Bids to Acquire Office-Supplies Rival

Compiled by Our Staff From Dispatches

WESTBORO, Massachusetts — Staples Inc. said Wednesday it was buying its rival, Office Depot Inc., for $3.35 billion in stock, creating a chain of more than 1,100 office-supply stores in the United States and Canada.

The new company, to be named Staples the Office Depot, would have combined revenue of more than $10 billion.

The agreement calls for Office Depot stockholders to receive 1.14 Staples common shares for every Office Depot share. Office Depot closed $4.5625 a share higher at $20.4375 on the New York Stock Exchange. Staples was down 75 cents a share at $18.75 in over-the-counter trading, giving the acquisition a value of $21.375 for each share of Office Depot.

Staples said the combined company would cut costs by combining some operations, including mail-order businesses, but the companies said the number of employees would increase as new stores open.

The combined company "will be better positioned to participate fully in the enormous growth opportunities that exist in our industry," said David Fuente, Office Depot's chairman and chief executive officer, who would be its chairman.

Staples the Office Depot is to be based in Massachusetts, although it said it would maintain a "significant and strategic presence" in Office Depot's home state of Florida. Office Depot's management information systems department and business services division will continue to be based in Delray Beach, Florida.

Staples Inc. operates 517 office-supply stores in the United States and Canada under the names Staples, Staples Express, Business Depot and Bureau en Gros. Office Depot has 532 stores in the United States, operates four Images and three Furniture at Work stores, runs a delivery network and 32 office-supply stores in Canada and has joint ventures or licensed operations in Mexico, Israel, Poland, Thailand, France, Colombia and Japan. *(AP, Bloomberg, Reuters)*

CURRENCY & INTEREST RATES

Cross Rates

Sept. 4

	$	£	D.M.	F.F.	Lira	D.Fl.	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.6636	2.6035	1.1212	0.327	0.1099*	—	5.444*	1.3786	1.5288*	1.2345	1.326*
Brussels	30.5525	47.905	20.595	6.007	2.0201*	18.372	—	25.27	0.2812	22.365	24.3725*
Frankfurt	1.480	2.3265	—	0.2918	0.9804*	0.8921	4.8555*	1.2287	1.3601*	1.084	1.1821*
London (a)	1.5672	—	2.3233	7.9646	2,348.74	2.5899	47.825	1.9894	170.55	2.1464	196.32
Madrid	125.62	196.746	84.581	24.682	8.293*	75.447	4.1069	103.904	115.38*	91.707	—
Milan	1,514.58	2,376.40	1,080.35	297.45	—	911.55	49.487	1,252.85	13.89	1,105.10	12.045
New York (b)	—	1.5672a	1.4805	5.0755	1,512.00	1.6598	30.52	1.2065	108.785	1.3686	125.325
Paris	5.0805	7.971	3.4288	—	0.336*	3.0568	0.1664	4.2087	4.6714*	3.7155	4.033*
Tokyo	108.75	171.25	73.59	21.50	0.723	65.45	3.5738	90.48	—	79.74	0.8723
Toronto	1.3696	2.1465	0.9246	0.2699	0.0906*	0.8248	0.0488*	1.1351	1.259*	—	1.093*
Zurich	1.2054	1.8879	0.8133	0.2372	0.0797*	0.7253	3.947*	—	1.1084*	0.8798	0.9614*
1 ECU	1.2833	0.8188	1.9043	6.5265	1,940.42	2.1351	38.2227	1.5584	139.711	1.7566	161.824
1 SDR	1.4564	0.9295	2.1636	7.4124	2,205.87	2.4249	44.5003	1.7592	159.185	N.Q.	182.88

Closings in Amsterdam, London, Milan, New York, Paris, and Zurich, fixings in other centers; Toronto rates at 3p.m.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9988	Greek drac.	237.04	Mex. peso	7.57	S. Afr. rand	4.4845
Australian $	1.2623	Hong Kong $	7.732	N. Zealand $	1.4438	S. Kor. won	818.50
Austrian sch.	10.448	Hung. forint	155.03	Norw. krone	6.4169	Swed. krona	6.645
Brazil real	1.0155	Indian rupee	35.73	Phil. peso	26.23	Taiwan $	27.49
Chinese yuan	8.336	Indo. rupiah	2344.25	Polish zloty	2.75	Thai baht	25.31
Czech koruna	26.23	Irish £	0.6169	Port. escudo	152.18	Turkish lira	86757.5
Danish krone	5.7375	Israeli shek.	3.1465	Russ ruble	5368.	UAE dirham	3.6705
Egypt. pound	3.3925	Kuw dinar	0.2987	Saudi riyal	3.75	Venez. boliv.	475.005
Fin. markka	4.507	Malay. ring.	2.496	Sing. $	1.408		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.5662	1.5662	1.5662	Japanese yen	108.79	108.32	107.85
Canadian dollar	1.3677	1.3660	1.3644	Swiss franc	1.2054	1.2021	1.1986
Deutsche mark	1.4814	1.4785	1.4753				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from Reuters and AP.

Libid-Libor Rates

Sept. 4

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5⅜ - 5½	3 - 3⅛	1 13/16 - 2 1/16	5⅝ - 5¾	3¼ - 3¾	⅜ - ½	4 7/16 - 4 9/16
3-month	5½ - 5⅝	3 - 3⅛	1 15/16 - 2 1/16	5⅝ - 5¾	3⅞ - 4	⅜ - ½	4¼ - 4⅜
6-month	5¾ - 5 13/16	3 1/16 - 3 3/16	2 - 2⅛	5⅝ - 5¾	4 - 4⅛	½ - 9/16	4¼ - 4⅜
1-year	6 1/16 - 6 3/16	3¼ - 3⅜	2⅛ - 2¼	5 15/16 - 6 1/16	4⅛ - 4¼	⅝ - ¾	4⅜ - 4½

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8¼	8¼
Federal funds	5 5/16	6¼
3-month CDs	4.94	4.90
CP 180 days direct	6.11	6.11
3 month Treasury bill	5.18	5.17
1-year Treasury bill	5.62	5.59
2-year Treasury bill	6.35	6.30
5-year Treasury note	6.72	6.68
7-year Treasury note	6.81	6.76
10-year Treasury note	6.93	6.89
30-year Treasury bond	7.10	7.05
Merrill Lynch 30-day RA	4.86	4.86
Japan		
Discount rate	0.50	0.50
Call money	0.41	0.41
1-month interbank	0.56	0.56
3-month interbank	0.56	0.56
6-month interbank	0.63	0.63
10-year Govt bond	2.98	3.00
Germany		
Lombard rate	4.50	4.50
Call money	3.08	3.13
1-month interbank	3.16	3.16
3-month interbank	3.18	3.18
6-month interbank	3.22	3.22
10-year Bond	6.40	6.40

Britain		
Bank base rate	5¾	5¾
Call money	5⅞	5⅞
1-month interbank	5¾	5¾
3-month interbank	5⅞	5¾
6-month interbank	5¾	5¾
10-year Gilt	7.92	7.91
France		
Intervention rate	3.35	3.35
Call money	3½	3½
1-month interbank	3⅝	3⅝
3-month interbank	3⅝	3⅝
6-month interbank	4.00	3 15/16
10-year OAT	6.49	6.48

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Crédit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	386.60	386.00	−0.75
London	385.95	385.60	−1.00
New York	390.70	389.70	−0.80

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Dec.)
Source: Reuters.

ASIA OCEANIA MANAGEMENT S.A.
11, rue Aldringen, L-1118 Luxembourg
R.C. Luxembourg N° B 31.893

NOTICE TO THE SHAREHOLDERS OF ASIA OCEANIA FUND

Dear Shareholder,

Please be informed that the Board of Directors of Asia Oceania Management S.A., acting as Management Company to Asia Oceania Fund (hereafter referred to as "the Fund") has decided to update the Prospectus of the Fund by specifying in the investment policy the different instruments the Fund may use to hedge currency risks. In particular, it should be noted that the proposed hedging transactions aim to protect the return of the Fund in terms of the domestic currency of the majority of the shareholders and may generate costs to be borne by all the shareholders.

In the same context, the following major changes to the investment restrictions shall apply:

- the limit applying to the acquisition price of put or call options on securities has been raised to 15% of the total net assets of the Fund;
- the Fund may not write put options on securities unless it holds sufficient liquid assets to cover the aggregate of the exercise prices of such options written;
- the Fund may make use of OTC option transactions as more fully described in the prospectus of the Fund;
- the lending of securities is permitted to the extent provided for in investment restriction 16 of the prospectus of the Fund.

The updated Prospectus is available at the registered office of the Management Company of the Fund.

The above mentioned changes and clarifications have also been reflected in the Management Regulations of the Fund by an appropriate amendment which will become effective on 19 September 1996.

Shareholders are reminded that they may request redemption of their shares at any time.

For the Board of Directors

PUTNAM HIGH INCOME GNMA FUND S.A.
11, rue Aldringen, L-1118 Luxembourg
R.C. Luxembourg N° B 22.041

DIVIDEND NOTICE

The Board of Directors resolved on 28 August 1996 to declare the payment of an interim dividend of US$ 0.29 per share, payable on or after 20 September 1996 to shareholders on record on 11 September 1996.

The shares will be quoted ex-dividend as from 12 September 1996.

Paying Agent: Kredietbank S.A. Luxembourgeoise
43, boulevard Royal
L-2955 Luxembourg

By order of the Board of Directors

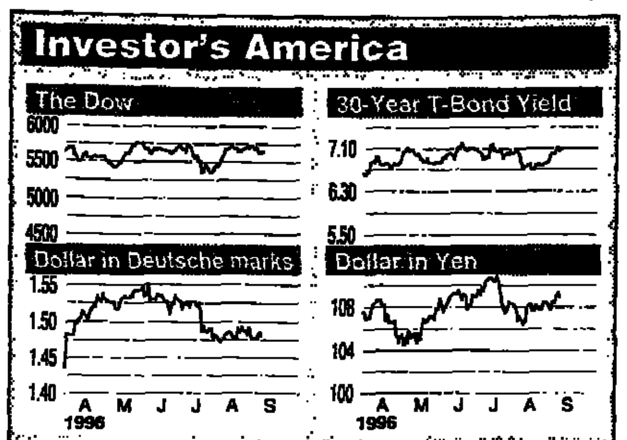
GROUPE SEB
CALOR. ROWENTA. SEB. TEFAL

CONSOLIDATED RESULTS FOR THE 1st SEMESTER

(FF millions)	30.06.1996	30.06.1995
Sales	4,387	4,054
Operating income	295	259
Net income	121	122
Net income + depreciation	334	336

The interim report will be available on 15th September.
(Tel. 33/72.18.17.31 - Fax 33/72.18.15.99)

Investor's America



Exchange	Index	Wednesday Close	Prev. Close	% Change
NYSE	The Dow	5656.90	5648.39	+0.15
NYSE	S&P 500	655.61	654.72	+0.14
NYSE	S&P 100	633.37	632.78	+0.09
NYSE	Composite	352.37	351.78	+0.17
U.S.	Nasdaq Composite	1143.22	1140.60	+0.23
AMEX	Market Value	557.34	557.79	-0.08
Toronto	TSE Index	5163.77	5151.89	+0.23
São Paulo	Bovespa	62572.70	62398.80	+0.28
Mexico City	Bolsa	3329.98	3266.99	+1.93
Buenos Aires	Merval	516.53	518.86	-0.45
Santiago	IPSA General	5293.37	5289.51	+0.07
Caracas	Capital General	4560.37	4584.69	-0.89

Source: Bloomberg, Reuters — International Herald Tribune

Traders Drop Dollar And French Franc

Bloomberg Business News

NEW YORK — The dollar fell Wednesday as tensions eased over U.S. military strikes in Iraq, declining even against the French franc despite evidence of a weaker French economy.

The dollar gave back more of the gains it had racked up in the run-up to U.S. missile attacks on fears of a broader war or a significant disruption to the oil trade. "Clearly the foreign exchange market has lost interest in what's going on over there," said Jim Fitzgibbon of ING Capital Markets. "This is entirely political." The dollar also fell Tuesday, after the U.S. strikes began.

FOREIGN EXCHANGE

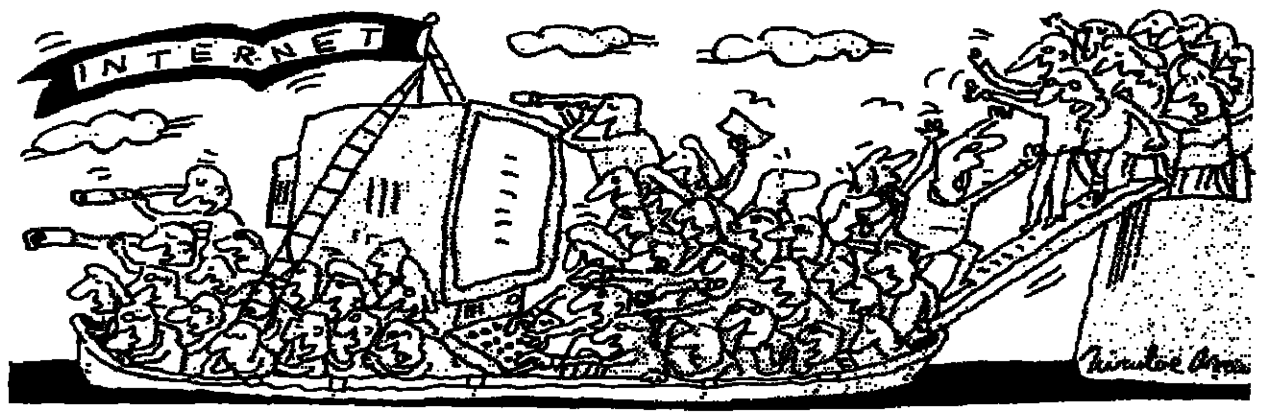
Traders turned their attention to the franc after an announcement from Paris that gross domestic product fell 0.4 percent in the second quarter.

The report fanned fears that Paris would not cut its deficit enough to qualify for Europe's single currency.

As a result, the Deutsche mark gained to 3.4268 francs from 3.4222 francs Tuesday.

But the dollar finished at 5.0755 French francs, down from 5.0805 francs. It also fell to 1.4805 DM from 1.4850 DM, to 108.785 yen from 109.275 yen and to 1.2065 Swiss francs from 1.2090 francs.

The pound rose to $1.5672 from $1.5666.



Is the Internet Dead? Don't Bet on It

By Peter H. Lewis
New York Times Service

NEW YORK — The Internet death watch is in full dirge. National networks such as Netcom and America Online are crashing with increasing severity, packets of precious bits are being scattered and lost throughout cyberspace, popular sites on the World Wide Web are being choked by callers, and overall service is degrading as hordes of tourists pile onto the Internet.

"Over the coming six to 12 months, computer users around the planet are likely to experience the Internet equivalent of the Great Blackout, or at least frequent brownouts," Wired magazine said in its latest issue.

It said the slowdowns would be "more than a minor annoyance" and would "challenge the very future of the network."

But, while many smart people are saying the Internet is showing signs of imminent collapse, many other smart people are saying it will grow and evolve to accommodate the increasing demands of data-rich messages, voice, video, graphics and even miniature programs. The driving force of evolution is likely to be raw capitalism. Cutthroat competition, they say, tends to stimulate growth and efficiency, and competition is omnipresent on the Internet.

Their argument is not meant to trivialize the challenges, because they are daunting — how to fortify the points where data are passed from one major network to another, how to improve addressing schemes and so on. But the real issue, they say, ultimately is economic.

Very briefly:

Autoworkers Target Ford for Talks

DETROIT (NYT) — The United Automobile Workers union has decided to focus on Ford Motor Co. in national labor negotiations, but it will continue talks with General Motors Corp. and Chrysler Corp., people close to the negotiations said.

The union's goal is to settle as many issues as possible at all three U.S.-based automakers before the Sept. 14 expiration of the current three-year national contract, two people close to the talks said. Since the early 1950s, the union has recessed talks with the other two Big Three automakers as soon as it picked a target.

The union declined to comment on its planned moves. But Ernest Lofton, a vice president in charge of negotiations with Ford, said earlier that the union had selected Ford because it was more likely than GM to figure out a way to preserve jobs.

• **McDonald's Corp.** plans to invest $500 million in Brazil over the next four years, doubling the number of its restaurants to about 530, a Brazilian newspaper said. McDonald's, which opened its 200th restaurant in Brazil Tuesday, said it planned to reach about $2 billion in sales there by 2000.

• **Vitalink Pharmacy Services Inc.** agreed to pay $373.8 million in stock and assumed debt for **GranCare Inc.**, on the condition that the rival pharmaceuticals provider spin off its skilled-nursing operations.

• **Boeing Co.**'s chairman, Frank Shrontz, will step down at the end of this year. He had already relinquished day-to-day control of the jetmaker to the chief executive and president, Phil Condit.

• **WebTV Networks Inc.** plans to charge customers $19.95 a month for unlimited use of its proposed service linking televisions to the Internet. Sets that can be used for the service, licensed by Sony Electronics Inc. and Philips Consumer Electronics Co., are to go on sale in U.S. stores in the next few months.

AP, Bloomberg

Big Board Manages Rebound Despite Fears on Jobs Data

Compiled by Our Staff From Dispatches

NEW YORK — Stock prices staged a late rally Wednesday as enthusiasm for the benefits of stronger economic growth overcame concern that a quickening pace could lead to higher rates.

The Dow Jones industrial average recovered from an early drop of 17 points to close 8.51 higher at 5,656.90.

"Equity markets don't die instantly when rates go up," said Abby Joseph Cohen, a strategist at Goldman Sachs. Profits of economically sensitive companies can benefit from the faster pace, she said.

Slowing sales did harm the fortunes of several stocks. General Motors fell the most among the Dow industrials after reporting that U.S. sales dropped 7.9 percent in August from the same month last year. The world's largest automaker slid ⅞ to 48⅞.

The Nasdaq composite index rose 1.52 points to 1,143.81.

Concern about the economy was focused on a monthly jobs report due to be released Friday and fears that it would will show the economy growing rapidly enough to fuel inflation and cause the Federal Reserve Board to raise rates.

The benchmark 30-year Treasury bond was quoted 17/32 lower at 95 23/32, lifting the yield to 7.10 percent from 7.05 percent.

Bond investors usually view the government's monthly jobs reports as the

U.S. STOCKS

most important government data, partly because they provide the first official look at the month just ended.

"It doesn't look as if the economy is falling off a cliff," said Terrence Pigott, head trader at Daiwa Securities America, but is slowing to a growth rate that is still higher than the Federal Reserve Board wants.

Data showing that construction spending fell in July to the lowest level in six months, however, provided evidence that the economy might finally be slowing. Construction spending fell 1.4 percent in July to an annual rate of $554.7 billion, the Commerce Department reported.

Alan Ackerman, market strategist at Fahnestock & Co., said the stock market would be battling worries about interest rates as well as a lack of conviction ahead of the jobs report Friday.

"Should they be strong, it's likely to prompt a sell-off," he said of the data.

Among other shares, Rubbermaid retreated after disclosing that higher costs and lower sales of playground equipment would produce earnings lower than most analysts expected. Rubbermaid also said it would pay $320 million for Graco Children's Products, a closely held toy maker. Rubbermaid's shares fell 3⅜ to 22⅞.

Digital Equipment said sales across its personal computer and workstation lines were slower than expected in the current quarter. Its shares rose ½ to 37½ as investors looked ahead at company plans aimed at expanding margins.

International Business Machines fared worse, falling ½ to 114¾. Hewlett-Packard also slipped, falling ⅜ to 44.

(Bloomberg, Reuters)

AMEX

Wednesday's 4 p.m. Close
The top 300 most-active shares, up to the closing on Wall Street.
The Associated Press

Stock	Sales	High	Low	Latest	Chge
AM Intl	172	2⅞	2⅝	2⅞	+⅛
AMC	257	18⅛	17¾	18⅛	—⅛
ARC	263	2 11/16	2 11/16	2⅞	+ 1/16
AckCom	85	28⅛	27½	28	+½
Action	1897	2¼	1½	1⅝	—⅝
AdvFin	89	1 9/16	1½	1½	+ 1/16
AdvMag	84	18¼	18	18⅛	—⅛
AdvMed	1271	3 7/16	3⅜	3⅜	+ 1/16
AdvPhot	224	3⅞	3⅞	3¾	— 1/16
AirWat	585	8 7/16	8⅛	8⅜	—
Alphain	247	8	7⅞	8	+⅛
AlpinGr	1145	6	5⅞	5⅞	— 1/16
AltLiving n	225	15¼	15	15	—⅛
Amdhl	1265	9 9/16	9⅜	9¼	—⅛
Am List	170	29⅜	28⅝	29¼	+⅜
AREInv	88	8¼	8⅛	8⅛	— 1/16
ASciE	88	14	13⅞	13⅞	+⅛
Ampal	97	4 9/16	4½	4½	—
Ampex n	3831	7 9/16	7 5/16	7½	+⅛
Astrotc	92	5⅝	5⅜	5⅝	+⅛
Audvox	95	5	4⅞	5	—
Autotote	429	1 11/16	1½	1½	— 1/16
Azco	293	1⅞	1 13/16	1 13/16	—
BAT Ind	2358	14	13⅞	13⅞	+⅛
Baker	189	5 1/16	4 15/16	4 15/16	—⅛
Baldw	387	3⅛	3	3⅛	—⅛
BayMea	1739	20⅜	18⅞	19⅞	+1⅛
BSYn pwt97	350	7½	7⅜	7½	+⅛
BemaGold	3472	7⅝	7	7 9/16	— 7/16
BioR A s	104	28½	28	28½	+¼
Biovail s	3102	29¼	28¼	28¾	—¼
BlairCp	103	23½	23	23½	+⅜
BlondT n	565	8 9/16	7¾	8⅛	—½
BogenC n	188	4⅝	4 7/16	4½	— 1/16
Bogen wt	269	1 1/16	⅞	1 1/16	+ 1/16
Bosmid n	828	13½	12¾	13⅜	+⅜
Bowne	238	20⅝	20⅝	20⅝	+⅜
Brandyw	200	6	6	6	— 1/16
Bufton	137	2	1 15/16	1 15/16	— 1/16
CE Frnk g	170	2½	2½	2½	—
CET EnvS	127	6⅜	6¼	6⅜	+⅛
CFX Cp	155	14⅞	14⅞	14⅞	+⅛
CIM	122	7 9/16	7 9/16	7 9/16	— 1/16
CSTEnt	171	⅛	⅛	⅛	—
Cablvsn	138	42⅝	42	42	—⅛
Cablvs pf	608	24⅝	24⅜	24⅝	—
Calton	280	⅞	13/16	⅞	—
HallRlty	100	29⅝	27⅞	29⅝	+1⅝
Halsey	133	4 9/16	4¼	4 9/16	— 1/16
HangOr	100	5⅝	5⅝	5⅝	+⅛
HanvDir	385	1⅛	1 1/16	1⅛	—
Han wtB	156	½	½	½	—
Harken	3273	2 11/16	2 9/16	2⅝	—⅛
Harold	165	14	13⅞	13⅞	—⅛
Hasbro	2537	37⅞	36⅝	37⅜	+½
HawAir	304	3⅞	3⅞	3⅞	—
HawAir rt	1628	⅛	1/16	⅛	—
HlthCh rt	1135	1/16	1/32	1/32	—
Hearx n	824	4 1/16	3⅞	3⅞	— 1/16
Hondo	155	16½	16⅛	16⅛	+⅛
HovnEn	131	6¼	6 1/16	6⅛	— 1/16
HudGn	221	39	37½	38⅛	—
HungTel	139	12⅝	12	12¼	+½
ICG Com	1895	22⅜	21½	21⅞	+⅛
IGI	439	5⅝	5	5⅝	—⅛
Identix	1076	9 7/16	8⅞	9 7/16	+ 1/16
ImaCM n	327	18⅜	17¾	18⅛	+¼
ImpOil g	807	43⅝	42⅞	43	—¼
IntlgSys	79	2½	2½	2½	—
InClPd	347	3½	3	3 7/16	+ 1/16
InterDig	1334	8 5/16	8	8⅜	—
ecIntrline	353	2	1 13/16	1 15/16	+⅛
Intrmagn	88	14⅝	14¼	14⅝	—⅜
IRIS	205	8½	8	8	—⅛
IntThrgh	177	4	3⅞	3⅞	+⅛
IonLaser	234	14½	13⅞	14¼	—⅛
IvaxCp	3737	16	15⅝	15⅞	+¼
JTS Corp	1007	3⅞	3⅝	3 11/16	—
JanBell	200	2⅞	2⅜	2½	—⅛
Keane	93	44½	43⅞	44½	+½
Kenwin	309	5	4¼	4⅜	+⅛
Kirby	403	16½	16¼	16¼	—
KogerEq	613	16⅛	15⅞	16	+⅛
LXRBiot	195	2½	2⅜	2 7/16	— 1/16
LaBarg	439	5½	5¼	5 7/16	+ 1/16
LazKap	402	18½	17½	18⅛	+⅜
LehORCL	80	48⅝	48⅛	48⅝	—⅛
LehK 98wt	247	4	3 9/16	3⅝	+1½
LBVam	291	11⅝	11½	11⅝	+⅛
MAI Sys	454	7⅛	6⅞	7⅛	—
Magellan	5598	17¼	17	17¼	—
MagnPet	346	4	3 15/16	4	+ 1/16
Marltan	89	3½	3⅜	3½	—
MaxdmPh n	258	10⅛	9⅞	9⅞	—
MaxmP wt	420	2⅞	2⅝	2⅝	—⅛
Maxxam	137	42⅝	40⅝	42¼	+2
Media	668	32½	32⅛	32⅛	+½
MediaLog	441	6	5⅞	6	+⅜
Medq	164	5 9/16	5⅜	5⅜	—
MrchGp	85	18⅝	18¼	18⅝	—
MercAir	147	7⅜	7 5/16	7 5/16	— 1/16
Reliv	405	5⅝	5⅝	5½	—
Riser	164	24¾	23⅝	24¼	+¾
RoyalO g	1842	3⅝	3⅝	3⅝	—
SC Bcp	100	6⅝	6⅝	6⅝	+⅛
SagaCm s	127	21⅛	20⅞	20⅞	—¼
SBYen wt98	107	4⅝	4	4½	—
SFeGo pf	225	9/16	½	9/16	—
SMonBk	109	14⅞	14¾	14⅞	+⅜
Schab	95	8	7⅝	7⅝	—⅛
ScotBcp n	78	12¼	12¼	12¼	+⅛
Servico	112	15	14⅞	14⅞	—
ShefldMd	340	4¼	3⅞	4 1/16	+ 1/16
Shopco	124	1⅜	1 5/16	1 5/16	+⅛
SmtBin	383	10¼	10⅛	10⅛	—⅛
ecSoligen	131	⅞	⅞	⅞	+⅛
SCEd pfB	288	14 1/16	14	14	—⅛
SCEd pfG	139	20½	20	20½	+⅜
SPDR	8540	66⅛	65 11/16	65⅞	+⅛
Stephan	173	13½	13¼	13⅜	+⅜
SterlHs n	315	15½	15⅛	15⅛	—½
StevInlA	138	1 11/16	1⅝	1⅝	—⅛
Sulcus	196	2⅜	2½	2⅜	+ 1/16
Supmind	90	6½	6⅜	6⅜	— 1/16
Technitrl	353	30⅜	30	30⅜	—
TelnR	147	18	17¼	17½	+⅜
TelDta	388	42½	42	42⅜	—
TexarkF	185	17⅛	16⅞	16⅞	+⅛
TexBiotch	229	3 9/16	3½	3½	—
TexMer	1180	13⅝	13½	13⅝	—⅛
Thermed	222	27⅞	27	27⅞	+¼
ThCar s	275	33⅝	33⅛	33¼	—¼
ThrmFib s	308	13	12⅞	13	+⅛
Thrlnst	277	38	37	37½	—½
ThmoOp n	223	15⅜	15	15⅜	+¼
ThrOptk n	80	13½	13⅛	13⅛	+⅜
Thrmolse	389	23	22⅞	22⅞	—⅛
Thrmotrx	109	37¼	36⅞	37 1/16	+¼
TopSrce	612	4 9/16	4½	4 9/16	— 1/16
TotlPet	320	10⅛	10⅛	10⅛	+⅛
TownCty	583	⅝	⅝	⅝	—
TWA wt	241	8½	8 5/16	8½	—⅛
TWA	11372	12⅞	12⅛	12⅞	—
Trnzn	104	13¾	13⅝	13⅞	+⅛
TrexMed n	100	22⅞	22⅛	22⅜	—⅜
TubMex	1889	11⅛	11	11⅛	+⅛
TurnB B	718	24⅞	24⅛	24⅛	—⅛
US Alc	3405	3	2⅞	2⅞	+ 1/16
Unilab	1935	¾	11/16	¾	—
Unimar	188	4⅝	4 9/16	4 9/16	— 1/16
UniqMbl	144	4 15/16	4 13/16	4 13/16	+ 1/16
UnCap	190	8½	8½	8⅝	—
US Bio wt	97	4⅛	3⅞	4	+⅛
USBiosci s	787	11⅝	11⅜	11½	+ 1/16
Urohlth s	305	13⅝	13⅛	13⅝	—⅜
VKAdM2	168	11½	11¼	11⅜	—
VKMUV	79	11⅝	11⅜	11¼	—
Viacom	1314	31	30⅜	30⅞	—⅛
ViacB	6722	31⅛	30½	30⅞	—⅛
Viac wtC	290	⅛	⅛	⅛	—
Viac wtE	818	1⅛	1	1	—⅛
Vitronic	324	1⅝	1 9/16	1 9/16	— 1/16
WRIT	285	16	15⅞	15⅞	—⅛
WIRET	140	12⅝	12⅝	12⅝	—⅛
WlshTc	90	1½	1½	1½	—⅛
WirelsT s	735	9 9/16	8 11/16	9 5/16	+ 11/16
ecWizTch	1396	3⅞	3½	3⅞	— 1/16
WEBCan n	167	10⅝	10 9/16	10⅝	+⅛
WEBFra n	86	12 11/16	12⅝	12 11/16	+ 1/16
WEB Jpn n	112	14¾	14⅝	14¾	+⅛
WEB UK n	253	13¼	13 1/16	13¼	— 1/16
XCL Ltd	938	¼	3/16	¼	—
Xytron	206	2¼	2 1/16	2⅛	—
CdnOcg s	775	17	16⅞	17	+⅛
CanyonRs	110	2⅝	2 9/16	2 9/16	— 1/16
CastlAM s	92	23¼	22⅞	23	+¼
CentennT	303	34	33⅝	33⅝	—⅜
CFCda g	175	4 9/16	4⅝	4 9/16	—
ChadThr s	151	18⅛	17⅝	17⅞	—⅛
ChevSoft	2206	18½	17⅝	18½	+½
Chief	898	19⅝	19⅛	19⅛	—⅛
Citadel	113	2½	2⅜	2½	— 1/16
CliffFin n	119	10⅝	10⅝	10⅝	—
CohenSir	77	9⅝	9⅝	9⅝	+ 1/16
CalLb	1350	12½	12⅛	12⅜	+⅛
Comforce	384	19	18⅝	19	+⅛
CmpMan n	495	16⅛	15⅞	15⅞	+⅜
ComerBk	87	12⅝	12⅝	12⅝	+½
Cross	306	12⅛	11⅞	12⅛	+¼
Cycom as	307	4 13/16	4⅝	4⅝	+⅛
DI Ind	4271	1⅝	1½	1½	—⅛
DakotaM	180	1⅜	1⅜	1⅜	—
DanlHd	92	5 9/16	5⅜	5⅜	— 1/16
Datamet	292	2⅜	2¼	2⅜	+ 1/16
Dataram	100	7⅝	7⅝	7⅝	—⅛
Daxor	144	11⅛	10	10⅝	+⅜
DaytonMn	79	7⅛	7	7	— 1/16
DigitCT	106	1 11/16	1⅝	1 11/16	+ 1/16
DalAusEx	208	41¾	41	41¼	+¼
DryCal	84	8⅜	8⅛	8⅜	+⅛
DryMu	115	9⅝	9 7/16	9 9/16	—
Ducom	239	17¼	16	17	+¾
EchoBay	1218	9⅝	9 5/16	9⅞	—
Edisto	459	11	10½	10⅝	+⅛
Edtek	3153	15/16	13/16	⅞	—
ElPasoE n	483	5⅝	5⅜	5½	—
Eldorad	92	19⅝	19⅜	19⅝	+⅜
EmerR	359	2⅞	2 11/16	2⅞	+ 1/16
EmpCor	365	6	5⅞	5⅞	+½
EnzoBi	280	17⅜	17	17⅜	+⅛
Equitope	127	14¼	13⅞	13⅞	—½
FairmBk n	132	11⅛	11	11⅛	—
FamHlth	89	4 11/16	4⅝	4 11/16	+ 1/16
FtAusl	434	9 9/16	8⅝	9 9/16	+ 3/16
FAusPr	2022	8⅞	8 9/16	8⅞	+ 1/16
Fiber	312	8⅞	8⅞	8 15/16	—
FlaRck	83	27⅞	27⅛	27¾	+⅜
ForstLb	458	40⅞	40⅛	40⅞	—⅛
ForlPet	359	2⅞	2¼	2¼	— 1/16
FrnkSel	311	4⅝	4⅝	4⅝	— 1/16
Fresenius	1878	25⅛	24⅞	25⅛	+⅛
GA Fncl n	496	12	11⅛	11⅞	—
GST Tele	774	11 9/16	11⅛	11⅞	—⅛
GavlCh	2261	7⅞	7⅛	7⅜	+¼
GalmSci	168	27¾	26⅝	26⅝	— 1/16
GnAuto	283	2¼	2¼	2 5/16	+ 1/16
GnEmp	126	11⅛	11	11	—⅛
GenvDr	97	12½	12⅛	12¼	—⅛
GeldbGld	1039	45⅛	45	45⅛	—¼
GlantFd	648	34	33¾	33⅞	+⅛
Glatfit	309	17⅞	17⅝	17⅝	+¼
GoVideo	342	1½	1⅜	1½	+ 1/16
GldStarR	358	17⅞	17⅛	17⅞	+¼
GldFld	238	¼	¼	¼	+ 1/16
Grang g	254	1 9/16	1 7/16	1 7/16	— 1/16
GreyLne	340	3⅝	3⅜	3⅝	— 1/16
GrifCom	216	19½	19½	19½	—
ML Nik 97wt	200	2⅝	2¼	2½	—⅛
ML TTY n	282	9 11/16	9⅝	9 11/16	+ 1/16
Metromdo	268	11⅛	11⅛	11⅛	—⅛
Microtel s	157	3⅜	3 5/16	3⅜	—⅛
MidatRlv	185	9⅝	9⅝	9½	—
MS IGT	158	19⅝	18⅝	19⅝	+⅛
MSHK wt96	120	4	3⅝	4	+⅛
MSNik 97wt	170	7⅛	7	7⅛	—⅛
MntoslgE	542	2 9/16	2⅜	2⅜	— 1/16
MovieStr	100	11/16	11/16	11/16	—
MuniNtg n	619	14⅝	14	14⅝	—
Munvst	598	9 5/16	9	9	—⅛
MunyAZ	98	12⅝	12½	12⅝	+⅛
Myersind	87	15⅜	15⅜	15⅜	+⅛
NTNCom	1320	4⅝	4 9/16	4⅝	—
NVR	478	9 9/16	9 9/16	9 9/16	+⅛
NVR wt	339	¾	½	¾	+ 1/16
Nabors	3976	14⅞	14⅜	14⅞	—⅛
NatlBev	159	19⅝	18⅞	19½	+⅜
NatlAlt	157	8⅞	8⅝	8¾	+⅛
NMoAr	122	13½	13	13½	+⅜
NY Times	1103	31¼	31	31¼	+⅛
NA Vacc	1470	21⅛	20⅝	20⅝	—⅛
Novavx n	343	4	3⅞	4	—
NCAPI	110	11⅝	11¼	11⅝	—
NGAPI	98	13⅝	13½	13⅝	—
OmniMult	152	4⅜	4 5/16	4 5/16	—
Oncor	140	4⅞	4⅞	4⅞	—
Oncormd	733	3 9/16	3¼	3⅜	—
Orangn s	303	17	16½	16⅞	—½
Oshmn	102	5⅝	5⅝	5⅝	+⅛
PC Quote	249	5 5/16	4⅞	5	+ 1/16
PGECap pf	128	24⅝	24	24⅜	+⅛
PLC Sys	397	20¼	20	20¼	—
PMC	84	13⅛	12⅞	13	—
PMC CT	170	16½	16	16½	+⅜
PGEpfE	151	17 15/32	16⅞	17 15/32	+ 19/32
PGEpfG	330	17 13/16	17 11/16	17 13/16	+ 3/16
PGEpfH	230	15 29/32	15 25/32	15 29/32	+ 3/32
PGEpfI	233	15⅝	15⅝	15⅝	—
PacGulf	187	18⅝	18⅛	18⅝	—
PacR&E n	82	2⅝	2⅝	2⅝	— 1/16
PacEnC	211	11	10⅞	10⅞	—⅛
PeaGld	642	12⅛	11⅞	12	—⅛
ProdNet	286	5⅝	5½	5⅝	—
PtlwyA s	182	48⅛	47⅛	48⅞	+1⅛
PhlRsc	587	14⅝	14¼	14½	+⅛
Polymed	101	5 5/16	5	5 5/16	+ 5/16
Polyph	365	3⅜	3	3⅜	+ 5/16
PolyVisn	121	⅞	⅞	⅞	—
PortSys s	123	2 9/16	2 9/16	2⅝	— 1/16
ProtHl	102	6⅛	6	6	— 1/16
PrpdLg	3362	15⅛	13⅞	13⅝	—1¼
Pricell s	153	13½	13⅛	13⅜	—⅛
ProActiv n	244	3	2⅞	2⅞	+⅛
PropCT	105	8 9/16	8⅜	8½	+ 1/16
Prvena	139	2 9/16	2½	2 9/16	+ 1/16
PsvcCo	223	6⅞	6⅝	6⅞	+ 3/16
PKGMT3	108	12⅝	12½	12 9/16	+ 1/16
ecPvracp	80	⅜	⅜	⅜	— 1/16
RF Pow	139	3¼	3⅛	3 3/16	+ 1/16
RedGold	91	2	1 15/16	2	—
RegalBel	490	16⅝	16⅜	16⅜	—⅛

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INTERNATIONAL FUTURES

Sept. 4, 1996

	High	Low	Close	Chge	OpInt
Grains					
CORN (CBOT) 5,000 bu minimum- dollars per bushel					
Sep 96	3.66	3.58¾	3.59	—0.07¼	20,718
Dec 96	3.39¾	3.33	3.33¼	—0.08¼	187,992
Mar 97	3.47½	3.41	3.41¼	—0.07½	42,820
May 97	3.52	3.47¼	3.47¼	—0.07¼	15,325
Jul 97	3.52	3.47½	3.47¾	—0.06½	11,996
Est. sales N.A. Tue's. sales 44,570					
Tue's open int 288,582 up 1316					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Sep 96	266.50	261.60	261.60	—5.80	13,701
Oct 96	257.10	252.00	252.00	—5.30	16,958
Dec 96	251.40	247.60	247.80	—5.10	37,870
Jan 97	250.00	246.80	246.80	—4.70	7,218
Mar 97	248.20	245.00	245.00	—4.30	6,885
May 97	244.80	242.00	242.30	—3.30	5,045
Est. sales N.A. Tue's. sales 23,643					
Tue's open int 90,010 off 149					
SOYBEAN OIL (CBOT) 60,000 lbs- dollars per 100 lbs.					
Sep 96	25.38	25.00	25.04	—0.34	4,195
Oct 96	25.50	25.13	25.15	—0.39	14,644
Dec 96	25.90	25.55	25.58	—0.41	40,195
Jan 97	26.15	25.85	25.90	—0.34	7,301
Mar 97	26.50	26.20	26.25	—0.35	6,642
May 97	26.78	26.50	26.53	—0.40	4,190
Est. sales N.A. Tue's. sales 22,983					
Tue's open int 78,671 up 696					
SOYBEANS (CBOT) 5,000 bu minimum- dollars per bushel					
Sep 96	8.06	7.97½	7.98	—0.13	4,107
Nov 96	7.92	7.79½	7.80	—0.15½	126,475
Jan 97	8.01½	7.87½	7.88	—0.14½	22,454
Mar 97	8.04½	7.94	7.94	—0.13¼	13,174
May 97	8.03	7.95	7.95	—0.11½	12,064
Est sales N.A. Tue's. sales 43,864					
Tue's open int 192,961 off 2127					
WHEAT (CBOT) 5,000 bu minimum- dollars per bushel					
Sep 96	4.53½	4.47	4.49	—0.03½	6,281
Dec 96	4.51½	4.46	4.48	—0.04¼	42,034
Mar 97	4.47	4.42	4.44	—0.03½	10,007
May 97	4.26	4.22½	4.25	—0.02½	551
Est. sales N.A. Tue's. sales 16,990					
Tue's open int 62,873 off 493					
Livestock					
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Oct 96	72.05	71.57	71.72		41,659
Dec 96	68.22	67.62	67.70	—0.05	25,120
Feb 97	65.80	65.25	65.55	+0.05	15,179
Apr 97	67.15	66.85	66.87	—0.08	5,227
Jun 97	65.20	64.85	65.05	+0.10	2,773
Aug 97	65.30	65.02	65.05		2,889
Est. sales N.A. Tue's. sales 11,568					
Tue's open int 92,833 up 61554					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Sep 96	63.80	63.37	63.55	+0.40	2,217
Oct 96	64.20	63.55	64.05	+0.83	7,877
Nov 96	64.55	63.90	64.30	+0.55	2,780
Jan 97	64.70	64.20	64.50	+0.38	1,521
Mar 97	63.95	63.75	63.95	+0.38	898
Apr 97	64.00	63.80	64.00	+0.45	640
Est. sales N.A. Tue's. sales 3,312					
Tue's open int 16,386 off 1444					
HOGS-Live(2/97 Lean) (CMER) 40,000 lbs.- cents per lb.					
Oct 96	52.72	51.97	52.70	+0.28	12,414
Dec 96	53.85	53.10	53.82	+0.27	11,064
Feb 97	75.10	74.25	75.05	+0.53	3,929
Apr 97	72.60	72.05	72.52	+0.45	1,439
Jun 97	77.50	77.07	77.35	+0.03	1,503
Jul 97	75.40	74.50	75.00	+0.13	311
Est. sales N.A. Tue's. sales 5,305					
Tue's open int 31,104 up 7381					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Feb 97	77.25	75.50	75.85	—1.30	4,874
Mar 97	77.35	75.80	75.90	—1.15	982
May 97	78.05	76.70	76.90	—1.10	303
Jul 97	77.70	77.30	77.60	—0.60	81
Est. sales N.A. Tue's. sales 2,901					
Tue's open int 6,261 off 5					
Food					
COCOA (NCSE) 10 metric tons- $ per ton					
Sep 96	1325	1300	1329	+37	175
Dec 96	1369	1336	1362	+26	33,607
Mar 97	1401	1375	1394	+31	17,555
May 97	1416	1400	1415	+25	8,845
Jul 97	1435	1421	1435	+29	5,976
Est. sales N.A. Tue's. sales 9,896					
Tue's open int 79,684 up 1544					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Sep 96	125.75	123.00	124.20	—0.85	1,116
Dec 96	114.00	111.30	112.80	—0.50	18,951
Mar 97	109.00	107.25	108.00	—0.75	5,903
May 97	108.50	107.25	108.05	—0.70	1,765
Est. sales N.A. Tue's. sales 9,044					
Tue's open int 28,177 off 658					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Oct 96	12.15	12.02	12.12	—0.06	72,993
Mar 97	11.68	11.61	11.64	—0.07	51,784
May 97	11.39	11.34	11.36	—0.04	18,263
Jul 97	11.05	11.00	11.02	—0.03	13,407
Est sales N.A. Tue's. sales 44,867					
Tue's open int					
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Sep 96	116.80	114.20	115.00	—1.65	989
Nov 96	109.25	104.50	105.00	—2.10	9,448
Jan 97	110.25	105.90	106.40	—2.80	5,201
Mar 97	111.00	108.00	108.75	—0.90	1,527
Est. sales N.A. Tue's. sales 3,995					
Tue's open int 18,079 up 238					
Metals					
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Oct 96	387.70	386.30	386.70	—0.80	10,117
Dec 96	391.00	389.40	389.60	—0.90	76,290
Feb 97	393.00	392.00	392.00	—1.10	12,885
Apr 97	395.10	394.90	395.00	—0.70	6,064
Jun 97	398.00	397.60	397.60	—0.80	11,194
Est. sales N.A. Tue's. sales 21,829					
Tue's open int 162,775 up 304					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Sep 96	96.65	93.60	95.15	—1.50	6,227
Oct 96	95.10	94.10	95.10	—1.15	1,895
Nov 96	96.00	93.50	94.80	—1.35	1,457
Dec 96	96.10	92.60	94.40	—1.45	24,882
Jan 97	93.60	93.60	93.60	—1.50	1,013
Mar 97	92.60	90.50	92.30	—1.45	7,242
May 97	92.00	91.00	91.70	—1.35	2,619
Jul 97	91.60	91.30	91.30	—1.35	2,077
Sep 97	91.20	90.80	91.20	—1.10	1,724
Est. sales N.A. Tue's. sales 8,678					
Tue's open int 54,914 off 455					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Sep 96	516.0	512.0	515.0	+2.0	1,753
Dec 96	525.0	519.5	522.5	+1.7	61,731
Mar 97	532.0	528.0	530.0	+1.0	9,953
Est. sales N.A. Tue's. sales 9,497					
Tue's open int 88,829 off 1468					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Oct 96	398.00	396.70	397.00	—1.70	17,766
Jan 97	401.00	399.00	399.10	—2.00	3,939
Apr 97	403.00	402.00	402.00	—1.50	3,898
Est. sales N.A. Tue's. sales 1,615					
Tue's open int 25,881 off 472					

LONDON METALS (LME) Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1474.00	1475.00	1471½	1472½
Forward	1509.00	1510.00	1506½	1507.00
Copper Cathodes (High Grade)				
Spot	2051.00	2053.00	2053.00	2055.00
Forward	2030.00	2032.00	2029.00	2030.00
Lead				
Spot	821.00	822.00	823½	824½
Forward	815½	816.00	818.00	819.00
Nickel				
Spot	7490.00	7500.00	7430.00	7440.00
Forward	7590.00	7600.00	7530.00	7540.00
Tin				
Spot	6205.00	6215.00	6195.00	6205.00
Forward	6260.00	6265.00	6250.00	6255.00
Zinc (Special High Grade)				
Spot	1013½	1014½	1008.00	1009.00
Forward	1040.00	1040½	1034.00	1035.00

	High	Low	Close	Chge	OpInt
Financial					
UST. BILLS (CMER) $1 million- pts of 100 pct.					
Sep 96	94.82	94.80	94.81	—0.01	4,817
Dec 96	94.52	94.46	94.47	—0.04	3,401
Mar 97	94.34	94.27	94.28	—0.04	1,156
Est. sales N.A. Tue's. sales 2,124					
Tue's open int 9,366 off 143					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Sep 96	105-03	104-225	104-26	— 035	58,893
Dec 96	104-195	104-07	104-105	— 035	111,636
Mar 97			103-315	— 035	
Est. sales N.A. Tue's. sales 101,887					
Tue's open int 170,529 up 2978					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Sep 96	106-20	106-03	106-08	— 05	130,106
Dec 96	106-00	105-13	105-19	— 06	174,435
Mar 97	105-15	105-06	105-10	— 05	2,759
Est. sales N.A. Tue's. sales 161,045					
Tue's open int 307,300 off 1521					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Sep 96	108-07	107-08	107-16	— 13	155,980
Dec 96	107-22	106-23	106-31	— 13	278,097
Mar 97	107-03	106-12	106-19	— 13	10,404
Jun 97	106-14	106-00	106-06	— 13	2,922
Est. sales N.A. Tue's. sales 436,169					
Tue's open int 448,480 off 2619					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Sep 96	107-07	106-27	106-28	— 0-02	57,657
Dec 96	106-17	106-03	106-04	— 0-02	86,055
Mar 97	105-22	105-22	105-16	— 0-02	0
Est. sales: 45,612. Prev. sales: 58,918					
Prev. open int.: 1473,712 off 13,875					
GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct					
Sep 96	97.36	97.19	97.22	+ 0.02	64,782
Dec 96	96.42	96.25	96.28	+ 0.04	148,006
Mar 97	N.T.	N.T.	95.33	+ 0.04	1,023
Est. sales: 208,543. Prev. sales: 278,170					
Prev. open int.: 213,811 off 7,802					
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Sep 96	123.34	123.22	123.26	+0.10	151,231
Dec 96	121.94	121.82	121.84	+0.08	60,616
Mar 97	121.86	121.80	121.78	+0.12	11,869
Jun 97	N.T.	N.T.	120.94	+0.10	13
Est. volume: 151,451. Open int.: 223,729 off 10,505.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Sep 96	115.75	115.60	115.71	+ 0.05	9,989
Dec 96	115.04	114.69	114.71	— 0.20	53,035
Mar 97	N.T.	N.T.	114.21	— 0.20	0
Est. sales: 37,258. Prev. sales: 86,711					
Prev. open int.: 63,024 off 3,398					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Sep 96	94.320	94.280	94.290	—20	339,627
Oct 96	94.130	94.110	94.120	—20	6,533
Nov 96	93.990	93.960	93.970	—20	2,191
Dec 96	93.930	93.850	93.870	—40	476,158
Mar 97	93.740	93.670	93.690	—30	318,476
Jun 97	93.560	93.490	93.520	—20	229,842
Mar 00	92.730	92.670	92.690	—20	36,789
Jun 00	92.680	92.610	92.640	—20	33,675
Est. sales N.A. Tue's. sales 631,071					
Tue's open int 2,491,905 off 35689					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Sep 96	1.5688	1.5632	1.5668	—8	58,419
Dec 96	1.5688	1.5632	1.5668	—10	6,870
Mar 97	1.5690	1.5640	1.5688	—10	9
Est. sales N.A. Tue's. sales 17,265					
Tue's open int 65,298 up 5483					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Sep 96	.7308	.7300	.7306	—4	32,247
Dec 96	.7338	.7326	.7332	+4	16,448
Mar 97	.7353	.7353	.7357	+4	545
Jun 97			.7375	+4	688
Est. sales N.A. Tue's. sales 10,244					
Tue's open int 50,100 up 459					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Sep 96	.6769	.6734	.6758	+16	69,354
Dec 96	.6811	.6778	.6801	+16	8,180
Mar 97	.6845	.6839	.6850	+16	976
Jun 97			.6899	+16	10
Est. sales N.A. Tue's. sales 22,200					
Tue's open int 78,520 up 1840					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Sep 96	.009219	.009156	.009210	+40	73,614
Dec 96	.009341	.009288	.009331	+40	12,052
Mar 97			.009459	+40	412
Est. sales N.A. Tue's. sales 27,815					
Tue's open int 86,286 up 2506					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Sep 96	.8326	.8273	.8297	+10	35,625
Dec 96	.8395	.8344	.8369	+10	3,978
Mar 97			.8448	+10	681
Est. sales N.A. Tue's. sales 15,059					
Tue's open int 40,301 off 503					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Sep 96	94.28	94.26	94.26	Unch.	67,026
Dec 96	94.30	94.27	94.28	+ 0.01	117,000
Mar 97	94.09	94.06	94.06	Unch.	81,549
Jun 97	93.72	93.68	93.68	Unch.	59,483
Sep 97	93.31	93.27	93.27	+ 0.01	37,241
Dec 97	92.97	92.93	92.93	+ 0.01	29,849
Mar 98	92.67	92.64	92.65	+ 0.02	24,626
Jun 98	92.47	92.44	92.44	+ 0.01	16,212
Sep 98	92.31	92.29	92.27	Unch.	10,971
Dec 98	92.16	92.11	92.11	— 0.01	11,510
Mar 99	92.04	91.99	92.00	Unch.	4,715
Jun 99	91.94	91.89	91.89	— 0.01	2,702
Est. sales: 40,754. Prev. sales: 53,859					
Prev. open int.: 462,893 up 7,883					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Sep 96	96.85	96.83	96.83	— 0.01	166,403
Dec 96	96.79	96.75	96.76	— 0.01	242,321
Mar 97	96.61	96.58	96.59	Unch.	204,061
Jun 97	96.37	96.33	96.34	— 0.01	152,697
Sep 97	96.07	96.04	96.05	Unch.	116,837
Dec 97	95.73	95.70	95.71	Unch.	76,081
Mar 98	95.38	95.35	95.35	Unch.	46,569
Jun 98	95.03	95.00	95.00	Unch.	35,965
Sep 98	94.70	94.68	94.68	+ 0.01	23,471
Dec 98	94.39	94.36	94.37	+ 0.02	21,994
Mar 99	94.08	94.06	94.06	+ 0.03	20,930
Jun 99	93.79	93.76	93.76	+ 0.02	11,955
Est. sales: 76,161. Prev. sales: 154,797					
Prev. open int.: 1,119,263 up 5,361					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Sep 96	95.90	95.87	95.89	+0.02	52,405
Dec 96	95.75	95.67	95.72	+0.00	51,500
Mar 97	95.81	95.75	95.78	+0.00	37,613
Jun 97	95.72	95.68	95.70	+0.03	23,846
Sep 97	95.55	95.48	95.53	+0.04	15,240
Dec 97	95.34	95.30	95.33	+0.04	11,538
Mar 98	95.11	95.06	95.11	+0.06	9,273
Jun 98	94.88	94.79	94.88	+0.06	6,349
Sep 98	94.64	94.63	94.64	+0.06	4,415
Dec 98	94.39	94.37	94.39	+0.04	4,678
Mar 99	94.12	94.10	94.12	+0.04	8,633
Jun 99	N.T.	N.T.	93.87	+0.04	1,910
Est. volume: 70,250. Open int.: 226,600 up 459.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Sep 96	91.40	91.33	91.34	— 0.05	44,740
Dec 96	91.87	91.80	91.81	— 0.06	49,338
Mar 97	92.16	92.12	92.12	— 0.05	25,273
Jun 97	92.23	92.20	92.20	— 0.03	19,197
Sep 97	92.21	92.17	92.17	— 0.03	10,024
Dec 97	92.11	92.07	92.07	— 0.03	5,611
Est. sales: 17,433. Prev. sales: 23,835					
Prev. open int.: 154,083 off 1,088					
Industrials					
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Oct 96	77.00	74.50	74.95	—1.45	6,260
Dec 96	77.75	75.47	75.65	—1.60	29,817
Mar 97	78.80	76.75	76.80	—1.55	8,491
May 97	79.40	77.50	77.50	—1.55	6,142
Jul 97	80.00	78.40	78.40	—1.25	4,554
Dec 97	77.40	76.10	76.20	—1.05	3,227
Est. sales N.A. Tue's. sales 6,158					
Tue's open int 59,753 up 537					
HEATING OIL (NMER) 42,000 gal- cents per gal					
Oct 96	65.50	64.05	64.15	—0.92	40,093
Nov 96	65.30	64.10	64.20	—0.83	16,149
Dec 96	65.20	64.05	64.25	—0.70	26,553
Jan 97	64.30	63.40	63.60	—0.40	14,645
Feb 97	62.45	61.60	61.75	—0.30	8,149
Mar 97	59.50	59.00	59.10	—0.10	4,646
Apr 97	56.70	56.20	56.20	—0.15	2,528
May 97	54.65	54.00	54.00	—0.20	1,860
Jun 97	53.25	52.90	52.90	—0.25	2,399
Jul 97	53.00	52.50	53.00	+0.20	1,606
Est. sales N.A. Tue's. sales 34,094					
Tue's open int 125,087 up 352					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Oct 96	23.65	23.03	23.24	—0.16	79,307
Nov 96	22.90	22.36	22.55	—0.11	41,948
Dec 96	22.28	21.75	21.94	—0.11	49,472
Jan 97	21.70	21.27	21.42	—0.11	31,223
Feb 97	21.20	20.90	20.95	—0.11	23,785
Mar 97	20.70	20.45	20.50	—0.11	14,339
Apr 97	20.34	20.08	20.12	—0.11	11,677
May 97	19.96	19.50	19.77	—0.11	6,619
Jun 97	19.65	19.48	19.47	—0.11	24,126
Jul 97	19.35	19.29	19.23	—0.11	9,191
Aug 97	19.10	19.00	19.01	—0.11	5,432
Sep 97	18.91	18.87	18.80	—0.11	6,418
Oct 97	18.74	18.67	18.60	—0.11	3,292
Est. sales N.A. Tue's. sales 106,876					
Tue's open int 374,092					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Oct 96	1.835	1.760	1.764	—57	32,855
Nov 96	1.985	1.930	1.937	—42	15,851
Dec 96	2.145	2.090	2.093	—39	16,967
Jan 97	2.210	2.160	2.160	—40	13,867
Feb 97	2.145	2.095	2.095	—38	7,738
Mar 97	2.078	2.015	2.015	—37	6,044
Apr 97	1.970	1.935	1.940	—32	4,147
May 97	1.940	1.900	1.910	—27	3,743
Jun 97	1.925	1.900	1.900	—32	3,392
Jul 97	1.925	1.909	1.905	—27	2,697
Aug 97	1.920	1.905	1.910	—22	2,886
Est. sales N.A. Tue's. sales 16,597					
Tue's open int 130,946					
UNLEADED GASOLINE (NMER) 42,000 gal- cents per gal					
Oct 96	63.50	62.40	62.96		27,233
Nov 96	62.05	61.10	61.60	+0.12	8,747
Dec 96	61.00	60.00	60.55	+0.22	5,083
Jan 97	59.95	59.40	59.65	+0.27	4,960
Feb 97	59.00	58.50	58.95	+0.27	1,521
Mar 97	59.30	58.90	59.35	+0.34	929
Est. sales N.A. Tue's. sales 17,232					
Tue's open int 53,891 up 2809					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Sep 96	208.75	202.00	207.50	+ 3.00	18,071
Oct 96	203.75	197.75	202.25	+ 1.25	16,331
Nov 96	199.00	196.50	198.75	+ 1.50	11,118
Dec 96	195.50	192.00	195.00	+ 1.25	16,179
Jan 97	190.50	189.25	191.00	+ 1.25	6,559
Feb 97	185.00	184.00	186.00	+ 1.50	1,515
Mar 97	180.00	179.50	180.50	+ 1.50	2,691
Apr 97	175.75	175.00	175.25	+ 1.50	2,937
May 97	N.T.	N.T.	171.50	+ 2.00	1,230
Jun 97	166.25	166.25	167.50	+ 1.75	3,171
Jul 97	N.T.	N.T.	166.50	+ 1.75	66
Aug 97	163.75	163.75	166.00	+ 2.25	55
Est. sales: 17,707. Open int.: 80,031 up 79					
BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels					
Oct 96	22.27	21.65	22.11	—0.10	60,309
Nov 96	21.55	21.05	21.36	—0.06	34,962
Dec 96	20.93	20.50	20.83	+0.05	23,907
Jan 97	20.35	20.00	20.27	+0.06	15,125
Feb 97	10.78	19.55	19.76	+0.07	8,199
Mar 97	19.31	19.05	19.31	+0.07	7,424
Apr 97	18.92	18.70	18.92	+0.09	4,880
May 97	18.50	18.50	18.58	+0.10	1,734
June 97	18.25	18.25	18.28	+0.10	4,735
July 97	N.T.	N.T.	18.03	+0.10	880
Aug 97	N.T.	N.T.	17.83	+0.11	425
Est. sales:49,893. Open int.:162,580 up 5,732					

Stock Indexes

	High	Low	Close	Chge	OpInt
S&P COMP. INDEX (CMER) 500 x index					
Sep 96	657.10	652.75	656.60	+0.75	161,519
Dec 96	663.10	658.80	662.55	+0.75	37,454
Mar 97	669.10	664.90	668.50	+0.55	2,148
Est. sales N.A. Tue's. sales 112,676					
Tue's open int 202,360 up 5432					
FTSE 100 (LIFFE) £25 per index point					
Sep 96	3896.0	3878.0	3885.0	+ 15.0	55,637
Dec 96	3914.0	3902.0	3906.5	+ 15.5	10,137
Mar 97	N.T.	N.T.	3918.0	+ 15.0	330
Est. sales: 13,160. Prev. sales: 19,958					
Prev. open int.: 66,104 off 715					
CAC 40 (MATIF) FF200 per index point					
Sep 96	1994.0	1982.0	1992.0	+15.00	32,497
Oct 96	1995.0	1988.5	1997.0	+15.50	3,397
Dec 96	2005.0	2000.0	2009.0	+16.00	5,513
Mar 97	N.T.	N.T.	2028.0	+15.00	4,412
Sep 97	N.T.	N.T.	2009.5	+15.00	5,170
Mar 98	N.T.	N.T.	2053.5	+15.00	2,270
Est. volume: 13,979. Open int.: 53,189 up 2,119.					

Commodity Indexes

	Close	Previous
Moody's	1,507.80	N.A.
Reuters	1,953.90	1,962.00
D.J. Futures	151.06	151.36
CRB	247.10	248.98

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	5643.58	5659.86	5631.00	5656.90	+8.51
Trans	2026.51	2027.94	2012.24	2020.38	—5.28
Util	214.92	215.41	214.08	214.64	—0.56
Comp	1797.56	1800.45	1791.55	1798.30	—0.25

Standard & Poors

	High	Low	Close	Chg.
Industrials	775.91	772.14	775.60	+1.55
Transp.	492.66	486.96	489.45	—3.06
Utilities	187.76	186.21	186.89	—0.83
Finance	68.24	67.89	68.16	+0.02
SP 500	655.82	652.93	655.61	+0.89
SP 100	633.78	630.90	633.37	+0.59

NYSE

	High	Low	Last	Chg.
Composite	352.45	351.08	352.37	+0.61
Industrials	448.34	446.21	448.11	+1.02
Transp.	318.52	315.52	317.34	—1.26
Utility	239.25	238.31	239.23	+0.17
Finance	300.32	299.22	300.22	+0.22

Nasdaq

	High	Low	Last	Chg.
Composite	1144.28	1141.24	1143.22	+0.93
Industrials	1049.06	1046.41	1048.26	+0.45
Banks	1115.27	1112.10	1115.27	+3.53
Insurance	1292.46	1290.36	1292.06	+4.36
Finance	1366.65	1364.07	1366.65	+3.25
Transp.	855.84	852.83	854.33	+1.18

AMEX

High	Low	Last	Chg.
558.11	556.16	557.34	—0.45

Dow Jones Bond

	Close	Chg.
20 Bonds	101.45	— 0.08
10 Utilities	98.83	+0.35
10 Industrials	104.06	— 0.52

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
OfcDpt	194737	20½	19⅛	20 7/16	+⅝
PepsiCo s	82473	28⅞	28⅛	28⅛	+⅛
HewlPk s	48081	44⅝	43⅝	44	—⅜
Chrysler s	44938	28⅜	27⅝	28⅛	—⅛
Officmx s	43967	13½	12⅝	13⅛	—⅛
Rubrmd	39327	26	22⅛	22⅞	—3⅜
Hanson	34346	12⅝	12½	12⅝	+⅛
Compaq	28610	58⅛	56⅝	57¼	+⅜
NatnsBk	25786	84⅛	83¼	83⅝	+⅛
CocaCl s	24448	51¼	50⅝	50⅞	—⅛
Exxon	22711	84⅝	83⅝	83⅞	+⅛
WstgEl	22519	16⅞	16½	16⅞	+⅛
McDnlds	21480	46⅛	45½	46⅛	—⅛
WalMart	20601	26⅞	26½	26⅝	+⅛
MicroT	20074	22⅛	21⅛	21⅛	—⅛

Nasdaq

	Vol.	High	Low	Last	Chg.
Staples	237113	19⅛	17⅝	18⅛	—⅞
MatrxPh	68098	9⅛	6⅞	7⅜	—3½
WorldCm s	64165	20⅛	19⅝	19⅝	—⅛
MFS Cm s	53768	42	38⅝	38⅞	—2⅛
ML Dirct n	52776	15¼	13⅞	15⅛	—
Intel	49399	82⅛	81⅛	82⅛	+⅛
Cisco s	46712	54⅝	53⅝	54⅝	+⅛
Imatrn	43412	6⅛	5⅜	5⅞	— 1/16
3Com	42080	48⅝	47½	48⅛	+1⅛
Oracle s	40836	37⅞	36½	37⅝	+⅞
BoatBnc	33984	53⅞	52⅝	52½	—
Grenfld	31333	24⅛	22½	23⅛	—4⅛
Romtron	27679	8⅛	7⅞	8⅛	+½
Ascend s	26559	55⅛	53⅞	54⅞	—⅜
US Robt s	25778	52⅝	49½	49 11/16	—2⅛

AMEX

	Vol.	High	Low	Last	Chg.
TWA	11372	12⅞	12⅛	12⅞	—
SPDR	8540	66⅛	65 11/16	65⅞	+⅛
ViacB	6722	31⅛	30½	30⅞	—⅛
Magellan	5598	17¼	17	17¼	—
Ampex n	3831	7 9/16	7 5/16	7½	+⅛
BemaGold	3472	7⅝	7	7 9/16	— 7/16
US Alc	3405	3	2⅞	2⅞	+ 1/16
PrpdLg	3362	15⅛	13⅞	13⅝	—1¼
Harken	3273	2 11/16	2 9/16	2⅝	—⅛
Edtek	3153	15/16	13/16	⅞	—

Trading Activity

NYSE

	Close	Prev.
Advanced	1380	1027
Declined	948	1395
Unchanged	855	761
Total issues	3183	3183
New Highs	69	49
New Lows	22	40

Nasdaq

	Close	Prev.
Advanced	1919	1464
Declined	1835	2277
Unchanged	1870	1892
Total issues	5624	5633
New Highs	97	68
New Lows	73	75

AMEX

	Close	Prev.
Advanced	270	227
Declined	248	296
Unchanged	202	208
Total issues	720	731
New Highs	18	18
New Lows	6	12

Market Sales

	Today Close	Prev. cons.
NYSE	351.26	409.09
Amex	14.26	22.14
Nasdaq	400.78	394.51

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Auburn Ntl Bncp	-	.11	9-10	9-25
STOCK				
Delphi Fincl A	-	20%	9-16	9-30
Diana Corp	-	5%	9-16	10-2
Mining Svcs	-	10%	9-20	10-18
Ntl Securities	-	5%	9-5	9-16
Star MultiCare	-	5%	10-11	11-4
STOCK SPLIT				
Exploration Co : 1 share of ExproFuels Inc for every 5 shares of Exploration held.				
Veritas Software 3 for 2 split.				
INCREASED				
Lomak Petrol	Q	.02	9-16	9-30
Tranzonic Cos	Q	.07	9-30	10-14
SPECIAL				
Bridgeville Svgs	-	.15	9-30	10-16
REGULAR				
Albertsons Inc	Q	.15	11-1	11-25
American Rlty Tr	Q	.10	9-13	9-30
Bear Stearns	Q	.15	9-23	9-30
Bridgeville Svgs	Q	.08	9-30	10-16
Burnham Pacific	M	.0479	9-16	9-30
Devon Energy	Q	.03	9-13	9-30
Dominguez Svcs	Q	.31	9-3	9-15
Energy West	Q	.105	9-20	9-27
Falcon Prod	Q	.025	10-3	10-17
Global Prtnrsinco	M	.118	9-17	9-30
Green Tree	Q	.0625	9-15	9-30
Hatteras Income	M	.1025	9-13	9-30
Insteel Indust	Q	.06	9-13	10-1
Mentor Income Fd	M	.07	9-16	9-30
Petrol Heat A	Q	.15	9-16	10-1
Philipine Lg Dist	b	.0611	9-13	10-15
Royal PTT NV	b	.6024	9-24	10-4
Ryland Group	Q	.15	10-15	10-30
St John Knits	Q	.025	10-3	11-8
Salomon Bros 2008	M	.073	9-17	9-30
Salomon Hi Inco	M	.125	9-17	9-30
Salomon WW Inco	M	.118	9-17	9-30
Simmons Fst	Q	.18	9-16	10-1
Thomas & Betts	Q	.28	9-16	10-1
Toastmaster A B		.0175	9-16	9-30
Zweig Total Ret	M	.07	9-13	9-26

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cld - called. d - new yearly low. e - dividend declared or paid in preceding 12 months. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. P/E - price-earnings ratio. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y - ex-dividend and sales in full. yld - yield. z - sales in full.

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EUROPE

EU Drops Threats Against Germany on Disputed Aid to VW

By John Schmid
International Herald Tribune

FRANKFURT — The European Union dropped its legal threats against Germany on Wednesday after an eleventh-hour compromise on disputed taxpayer aid to Volkswagen AG, giving both sides breathing space to resolve their broader feud over subsidies to Eastern Germany.

The compromise was meant to restore the credibility of the EU after the East German state of Saxony challenged its authority in July by paying 90.7 million Deutsche marks ($61.1 million) in aid to the German carmaker's two plants in that state. The payment was made despite an EU ruling blocking it.

In presenting the compromise, EU Competition Commissioner Karel Van Miert complained that Saxony's defiant payment had threatened the legal foundations of the Union.

Willy Helin, Mr. Van Miert's spokesman, said other EU ministers and even West German manufacturers had called Mr. Van Miert's office to voice worries about unfair breaks for Eastern Germany.

The EU feared the Saxony affair could have triggered a race for subsidies in Eastern Germany and other less prosperous countries such as Portugal and Greece, creating an imbalance that would mean the beginning of the end of the single market.

"If we had closed our eyes today, we would have been dead," Mr. Helin said of the compromise.

If an agreement had not been reached by Wednesday, the European Commission was ready to seek an injunction from the European Court of Justice that would have frozen Volkswagen's funds.

The German government desperately wanted to avoid court action, which would have split its allegiances between support for the process of European integration and for the weak East German economy, which the government claims would collapse without subsidies.

"There are many European regions that are looking for just such a pretext to do exactly what the Saxons did," said Guenter Rexrodt, Germany's economics minister, in an interview that appeared Wednesday in the daily Die Welt. "That cannot happen."

Volkswagen originally applied for 780 million DM in subsidies and tax breaks for its two plants in Eastern Germany. In June, the commission approved 540 million DM but blocked the remainder.

Upset that it did not get the full amount, Volkswagen threatened to halt expansion of its two plants in Saxony, prompting the state to transfer a portion of the funds anyway. It took two weeks of negotiations to persuade Volkswagen to make a concession.

The breakthrough came late Tuesday, when Volkswagen agreed to forgo 90.7 million DM of the 540 million DM that European authorities had already approved, in effect neutralizing the illegal aid.

Deutsche Bank Aids Suspended Morgan Funds

Compiled by Our Staff From Dispatches

LONDON — Deutsche Bank AG has injected money into three suspended investment funds run by Morgan Grenfell Asset Management Ltd. to try to reassure investors, Morgan Grenfell said Wednesday.

The amount was not disclosed. The Deutsche Bank unit also said trading in the funds would resume Thursday. The bank said it was too early to estimate the cost if bailing out the funds after the suspension of a manager amid a British investigation that cited "irregularities" in their operations.

"With a view to protecting investors' interests, Deutsche Bank has bought certain of the fund securities for its own account so that the prices at which the funds recommence dealing should not be affected by such irregularities," Morgan Grenfell said. *(AFP, Bloomberg)*

Canal Plus Faces Test Match

Rivals and Teams Criticize an Exclusive Deal

By Richard Covington
Special to the Herald Tribune

PARIS — Canal Plus SA launched a pay-per-view service this week that allows it to exclusively broadcast all French soccer games until 2001, but the move came amid protests from rival television networks and some soccer teams.

The Canal Plus agreement, made six months ago with the Ligue Nationale de Football, France's national soccer league, also gives the broadcaster a lead in signing new subscribers to its digital television channels, which are delivered over a satellite that was launched in April.

The latest offering from Canal Plus marks Europe's largest trial of pay-per-view for sports events and the Continent's most extensive test so far of the new digital technology that promises to revolutionize sound and picture quality.

Telepiu, an Italian pay-TV service, plans to offer a similar pay-per-view package covering Italian soccer teams starting next week.

According to the contract with the national soccer league, Canal Plus is paying 50 million francs ($9.8 million) for exclusive broadcast rights to all games plus half the proceeds from the pay-per-view revenue.

"This is selling out French soccer at bargain-basement prices," said Rene Ruello, president of the Rennes franchise. In comparison with other European soccer federations, the French teams will earn far less from broadcast rights.

Because emerging digital-television packages are counting heavily on sports events to attract new subscribers, this latest gambit by the French pay broadcaster also deals a blow to Canal Plus's chief competitor, Television par Satellite, a consortium formed by TF1, France Television, France Telecom, M6, Compagnie Luxembourgeoise de Telediffusion and Lyonnaise Communication. TPS plans to launch its own digital services in December.

"Without soccer, TPS has no chance of surviving," said Serge Siritzky, editor and publisher of Ecran Total, a magazine about the broadcast industry.

TF1 is contesting the Canal Plus deal with the league and threatening to take legal action to overturn the exclusive contract.

"Just because Canal Plus has exclusive rights over hertzian frequencies does not mean it will control these same rights for digital broadcasts," said Jean-Claude Dassier, director of sports for TF1.

But Regis Pukan, league director, said the exclusivity clause with Canal Plus would still stand even though the mode of transmission had evolved to pay-per-view over digital channels.

Mr. Siritzky, said, "TF1 simply woke up a little late to the devastating risks this deal represents, and now they're trying to persuade the league to break their contract."

Under the agreement, subscribers to the digitalized CanalSatellite will be able to choose one match for 50 francs or as many as nine separate matches for 75 francs. Subscribers to the regular Canal Plus pay service will still be able to view preselected match at no extra charge.

To reach the pay-per-view channels, viewers will need a subscription to CanalSatellite for 98 francs per month, a satellite dish that sells for around 500 francs and a decoder that can be rented for 45 francs a month.

Lured by the promise of a wide choice of sports events, 100,000 subscribers have already signed on for CanalSatellite. The broadcaster projects a base of 300,000 by the end of the soccer season in June.

Output and Prices Lift Total's Net

Compiled by Our Staff From Dispatches

PARIS — Total SA posted a 45 percent increase in first-half net profit Wednesday, to 2.63 billion francs ($516.6 million), as oil prices rose and the petrochemical company increased its output.

"Total's results for the first half are good," said Chairman Thierry Desmarest, as the profit rise was "markedly above the average 14 percent profit increase of other large international oil companies."

In addition to higher oil production, Mr. Desmarest credited Total's diminished exposure to the chemicals business, where prices have fallen.

He said production would probably remain high, further increasing profit in the medium term. Sales in the half totaled 80.66 billion francs, a 20 percent increase from the first half of 1995.

Total, which produced 766,000 barrels of oil in the half, plans daily production of 950,000 to 1 million barrels in 2000 and 1.25 million barrels by 2005, he said.

Such high production levels eventually will push crude oil prices back toward $16 a barrel after their recent surge, Mr. Desmarest said.

"The current situation — crude oil trading above $20 a barrel — is not representative of long-term trends," he said, and Total was basing its forecasts on the $16 price.

A barrel of Brent crude oil fetched an average of $19.04 in the first half, Total said, compared with $17.49 a year earlier. Oil prices have surged further this week since an attack on a Kurdish area by Iraqi forces led to U.S. air strikes and renewed efforts to block a renewal of oil sales by Baghdad, but Total's strategy reflects its long-term outlook for prices.

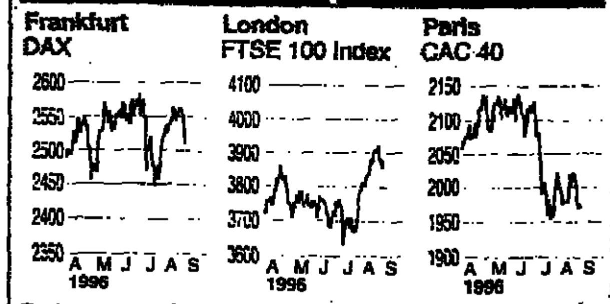
Total's shares closed at 384.50 francs, up 0.50.

"We're very satisfied with the numbers," said Thierry Lefrancois, an oil analyst with Massonaud-Fontenay-Kervern in Paris.

"The production and chemicals divisions performed particularly well."

Asked about a U.S. law calling for sanctions on companies that made significant investments in Iran or Libya, the chairman said it was not retroactive and thus did not apply to Total's existing activities in those countries. *(Bloomberg, AFP)*

Investor's Europe



Exchange	Index	Wednesday Close	Prev. Close	% Change
Amsterdam	EOE	554.16	550.98	+0.58
Brussels	Stock Exchange	9,509.32	9,452.74	+0.60
Frankfurt	DAX	2,532.39	2,510.77	+0.86
Copenhagen	Stock Market	423.83	421.41	+0.57
Helsinki	HEX General	2,104.36	2,100.14	+0.20
Oslo	OBX	456.10	448.65	+1.66
London	FTSE 100	3,872.70	3,855.90	+0.44
Madrid	Stock Exchange	349.32	352.01	-0.76
Milan	MIBTEL	9,339.00	9,335.00	+0.04
Paris	CAC 40	1,984.77	1,971.43	+0.68
Stockholm	SX 16	2,081.39	2,064.96	+0.80
Vienna	ATX	1,030.23	1,022.37	+0.77
Zurich	SPI	2,335.24	2,327.78	+0.32

Source: Telekurs — International Herald Tribune

Very briefly:

- **Grolsch NV** posted an 11 percent rise in first-half profit to 21 million guilders ($12.6 million) as revenue rose 23 percent to 319.9 million guilders. The brewing concern said full-year net would increase despite a cool summer in northern Europe that held down premium beer sales.
- **Reuters Holdings PLC** bought a 75 percent stake in **Distal SA**, a French supplier of electronic health-care information services for doctors.
- **Lloyd's of London** received government permission to set up a reinsurance entity, to be called Equitas, to help carry out its reorganization and refinancing plan.
- **Booker PLC**, a British food wholesaler and distributor, will buy the discount retailer **Nurdin & Peacock PLC** for £264 million ($413.8 million) in cash and stock.
- **Kuwait** plans to expand its oil-production capacity by 40 percent, to 3.5 million barrels a day, by 2005 while seeking an increase in its Organization of Petroleum Exporting Countries output quota to 3 million barrels a day from 2 million.
- **Sulzer AG's** first-half earnings nearly doubled, to 43 million Swiss francs ($35.6 million), as strong growth at its medical equipment and pumps divisions offset lower sales of weaving machines.
- **CRH PLC of Ireland** plans to buy **BTR PLC's** American crushed-stone and concrete unit, Tilcon Inc., for $329 million in cash and assumed debt. The building-materials concern also announced a 13 percent rise in first-half pretax profit, to 64.1 million punts ($103.2 million).
- **Waterford Wedgwood PLC** said first-half pretax profit rose 28 percent, to 9.5 million punts, because of increased sales of glass and china in the United States, Japan and Ireland.
- **Credit Local de France**, the country's largest lender to local government, said first-half earnings rose a lower-than-expected 6 percent to 793 million francs ($155.5 million) because of a sharp rise in its tax bill. *AFP, Reuters, Bloomberg*

The Trib Index

Closing prices.

Jan. 1, 1992 = 100.	Level	Change	% change	year to date % change
World Index	136.23	+0.46	+0.34	+3.31
Regional Indexes				
Asia/Pacific	124.86	+0.07	+0.06	-7.00
Europe	145.93	+1.15	+0.79	+4.85
N. America	140.77	-0.12	-0.09	+9.74
S. America	108.45	+0.74	+0.69	+21.80
Industrial Indexes				
Capital goods	146.39	+0.21	+0.14	+10.17
Consumer goods	146.27	+0.58	+0.40	+5.94
Energy	147.34	+0.65	+0.44	+8.64
Finance	116.26	+0.30	+0.26	-8.62
Miscellaneous	142.30	+1.20	+0.85	+4.78
Raw Materials	163.03	+1.00	+0.62	+14.97
Service	125.22	+0.32	+0.26	+4.35
Utilities	127.89	+0.48	+0.38	+0.59

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Compiled by Bloomberg Business News.

WORLD STOCK MARKETS

Wednesday, Sept. 4
Prices in local currencies.
Telekurs

Amsterdam — EOE Index: 554.16, Previous: 550.98

	High	Low	Close	Prev.
ABN-AMRO	90.50	89.70	90.40	89.70
Aegon	83.20	82.30	82.60	81.60
Ahold	93.80	92.40	93	92.40
Akzo Nobel	191.50	189.60	190	190.10
Bols Wess cva	26.70	25.80	26	26.10
CSM cva	81	80.10	80.10	80.60
Dordtsche Pet	278.50	275.70	278.50	275
DSM	153.30	150.80	151.50	151.50
Elsevier	26.70	26.40	26.50	26.30
Fortis Amev	50.70	49.40	49.40	49.60
G-Broc cva	53.30	52.50	52.50	52.30
Hagemeyer	128.50	125.70	126.30	125.50
Heineken	374.90	370.40	370.40	368.40
Hoogovens	58.90	58.20	58.60	58.50
Hunt Douglas	118.70	116.50	118.70	116.50
ING Group	51.90	51	51	51.20
KLM	45.50	44.50	44.60	45.40
KNP BT	38.70	38.30	38.50	38.10
KPN	59.10	58.10	58.30	58.60
Nedlloyd Gp	39.60	39.10	39.20	39.40
Nutricia	226	221	223.30	220.30
Oce Grinten	172.80	171.50	172.80	171.80
Pakhoed	47.20	46.90	46.90	47
Philips Elec	55.70	55.20	55.30	55.40
Polygram	96.50	94.50	94.90	96.50
Randstad Hdg	124	122.50	122.50	122
Robeco	123.70	123.10	123.10	122.20
Rodamco	47.50	47.10	47.50	47.20
Rolinco	132.30	132.20	132.20	132.10
Rorento	98.10	97.80	97.80	97.90
Royal Dutch	256.70	253.80	256.60	253.80
Stork	50.20	49.20	49.80	49.80
Unilever cva	249.50	244.30	248.90	242.50
VNU	30.20	29.40	30	29.50
Wolters Kl cva	209.80	208.50	208.80	208.40

Bangkok — SET Index: 1049.74, Previous: 1064.45

	High	Low	Close	Prev.
Adv Info Svc	314	306	310	316
Bangkok Bk F	316	310	310	314
Krung Thai Bk	106	102	103	105
PTT Explor	356	342	346	340
Siam Cement F	948	936	936	928
Telecomasia	45	44	44.75	44.75
Thai Airways	49.50	48.75	49.25	49.75
Thai Farm Bk F	258	256	258	256
Thai Teleph	43.75	42.75	43.50	44
Utd Comm	244	236	238	246

Bombay — Sensitive Index: 3484.69, Previous: 3562.98
Tuesday, Sept. 3

	High	Low	Close	Prev.
Assoc Cement	2220	2150	2163	2212.25
Grasim Ind	445	431	434.50	444
Hindalco Ind	699	678	684	699
Indust Lever	829	800	812	827
Indian Hotels	780	765	772	770.25
ITC	302.25	293	295.50	300.25
Larsen Toubro	259.25	250	250.50	257.75
Reliance Ind	213.75	206.50	207.25	214.50
Tata Eng Loco	523	496	501	522
Tata Iron St	201.25	192	193.50	200

Brussels — Stock Exchange Index: 9509.32, Previous: 9452.74

	High	Low	Close	Prev.
Arbed	3470	3450	3470	3460
Barco Ind	5350	5300	5310	5290
BBL	5950	5860	5930	5870
Bekaert	23375	23200	23200	23050
CBR	2325	2310	2315	2315
CMB	2450	2420	2430	2400
Cockerill	134	131	131	131
Colruyt	11275	11150	11250	11100
Delhaize Lion	1620	1605	1610	1605
Electrabel	6870	6740	6810	6740
Electrafina	2830	2785	2830	2820
Fortis AG	4315	4270	4270	4265
GIB	1340	1326	1332	1326
GBL	3910	3850	3860	3840
Gen Banque	11250	11175	11225	11175
Glaverbel	3270	3220	3250	3250
Kredietbank	9680	9600	9600	9620
Mosane	2350	2350	2350	2355
Petrofina	9740	9610	9650	9600
Powerfin	4750	4660	4730	4640
Recticel	270	264	264	266
Royale Belge	6010	5950	5990	5920
Soc Gen Belg	2420	2400	2420	2400
Solvay	17900	17675	17875	17700
Tessenderlo	10975	10925	10975	10875
Tractebel	13550	13350	13500	13425
UCB	59550	59250	59300	58800
Union Miniere	2335	2320	2320	2320

Copenhagen — Stock Index: 423.83, Previous: 421.41

	High	Low	Close	Prev.
Carlsberg B	336	330	331.34	332
Danisco	324	321	322.25	321
Den Danske Bk	412	405	408	405
D/S Svendborg A	209000	207000	208000	207000
D/S 1912 A	144000	144000	144000	144000
East Asiatic Co	116.29	111	115	113
FLS Ind B	725	615	720	680
ISS Intl Serv B	161	151.85	159	154
Novo Nordisk B	895	887	894.79	890
Radiometer B	355.53	349	355	355
Sophus Ber B	694	682	691	683.55
Tele Danmk B	285	281	282	281
Unidanmark A	267	255	265	254

Frankfurt — DAX: 2532.39, Previous: 2510.77

	High	Low	Close	Prev.
AMB	1090	1090	1090	1100
AEG	155	155	155	155.20
Allianz Hdg	2657	2640	2644	2617
Altana	1115	1106	1115	1095
Badenwerk	572	561	572	559
BASF	43.71	43.55	43.67	43.15
Bayer Hypo Bk	41.52	41.17	41.25	41.07
Bay.Vereinsbank	48.98	48.85	48.87	48.90
Bayer	52.84	52.52	52.80	52.05
Berliner Kraft	421.50	421.50	423	423
BHF Bank	40.50	40.40	40.50	40.48
BMW	870	864	866.50	854.10
CKAG Colonia	120	120	120	118.50
Commerzbank	342	340.30	341.10	339.50
Daimler Benz	80.30	79.80	79.85	79.85
Degussa	515	512	514	511.50
Deutsche Bank	72.95	72.60	72.70	72.25
Dresdner Bank	40.45	40.30	40.40	39.90
Heidelbg Zmt	98.90	98.50	98.90	98.50
Henkel	61	60.60	60.90	60.50
Hochtief	72	71.50	71.70	70
Hoechst	51.45	51.06	51.22	50.85
Holzmann Ph.	356	352	354	350
Karstadt	525	523	524.50	516.50
Linde	929	927	927.50	921
Lufthansa ord	201.80	199.50	201.50	199.20
MAN	373.50	369	372.80	367
Mannesmann	531.50	530.20	530.50	529
Metro	141.20	139.50	140	138.50
Muench Rueck	3383	3370	3383	3324
Preussag	352.50	350	350	347
PWA	211	206	211	208
RWE	53.90	52.60	53.60	53.50
SAP pfd	244.80	243.80	244.50	240.50
Schering	108.30	107.50	107.55	106.80
Schmalb Lub	284	281	284	280
Siemens	78.10	77.68	77.80	77.52
Suedzucker	740	730	730	740
Thyssen	268.50	267.10	268	265.60
Veba	77	76.81	76.95	76.10
VEW	455	447	455	447
Viag	548	538	547	537.25
Volkswagen	546.80	542.50	546.50	537
Wella	863	862	863	858

Helsinki — HEX General Index: 2104.36, Previous: 2100.14

	High	Low	Close	Prev.
Cultor 1	229	220	220	226
Enso R	37.80	37.20	37.30	37.40
Huhtamaki IF	172	171	172	170
Kesko	72	70	71	72
Kone BF	535	530	530	515
Merita A	9.30	9.18	9.20	9.15
Metra BF	238.50	236	236	237
Metsa-Serla B	33.50	32.50	32.50	32.70
Nokia Prf F	187.50	185.60	185.80	186.50
Outokumpu A	82	80.50	81	80
Rautaruukki	37.50	37.40	37.50	37
Stockmann A	262	255	258	260
UPM-Kymme	101.50	100	100.90	99.70
Valmet A	76.50	75.80	75.80	75.70

Hong Kong — Hang Seng: 11077.00, Previous: 10957.20

	High	Low	Close	Prev.
Amoy Props	8.80	8.60	8.80	8.60
Bk East Asia	27.70	27.40	27.65	27.20
Cathay Pacific	12.70	12.40	12.60	12.55
Cheung Kong	54.75	54	54.75	54
China Light	32.50	32.10	32.30	32
Chi Estates	6.95	6.80	6.95	6.75
Citic Pacific	33.70	33.30	33.70	33.10
Cons Elec Pwr	14.60	14.45	14.45	14.45
Dao Heng Bk	29.70	29.40	29.70	29.30
First Pacific	12.10	11.80	11.95	11.85
Great Eagle	22.75	22.05	22.60	22.30
Guangdong Inv	5.50	5.40	5.40	5.40
Guoco Group	36.40	36	36.10	36
Hang Lung	14.55	14.40	14.55	14.40
Hang Seng Bk	79	78.25	78.50	78.50
Henderson Inv	8.30	8.20	8.30	8.20
Henderson Ld	60.50	60	60.25	59.75
HKR Intl	9.98	9.75	9.80	9.60
HK Aircraft	19.40	19.20	19.25	19.25
HK China Gas	12.70	12.50	12.65	12.50
HK Electric	23.20	22.90	23	22.90
HK Shang Htls	13.55	13.40	13.55	13.30
HK Telecomm	12.90	12.70	12.85	12.70
Hopewell Hdgs	4.15	4.08	4.13	4.10
HSBC Hdgs	132	130.50	132	129.50
Hutchison Wh	47.50	46.80	47.50	46.90
Hysan Dev	23.35	23.20	23.30	23.10
Johnson El Hdg	17.05	16.75	16.95	17.25
Miramar Hotel	14.60	14.45	14.55	14.60
Natl Mutual	6.15	6.05	6.05	6
New World	37.50	37	37.20	36.80
Oriental Press	3.93	3.85	3.93	3.90
Shangri-La	9.95	9.90	9.95	9.90
SHK Props	75.25	74.25	74.75	74.50
Shun Tak Hdgs	4.45	4.40	4.43	4.45
Sino Land Co.	7.90	7.85	7.90	7.90
Sth China Post	5.50	5.25	5.45	5.25
Swire Pac A	68.50	68	68	68
Tsim Sha Tsui	9.90	9.85	9.90	9.85
TV Broadcasts	27.55	27.40	27.50	27.50
Wharf Hdgs	29	28.20	28.95	28.20
Wheelock	15.40	15.25	15.40	15.10

Jakarta — Composite Index: 546.80, Previous: 540.54

	High	Low	Close	Prev.
Astra Intl	2425	2350	2400	2350
Barito Pacific	1475	1425	1425	1425
Gudang Garm	8700	8575	8650	8550
Indah Kiat	1850	1825	1825	1850
Indocement	3600	3525	3600	3525
Indofood	4700	4700	4700	4675
Indorayon	2050	2025	2025	2025
Indosat	7325	7300	7300	7325
Kalbe Farma	4350	4325	4325	4300
Sampoerna	22700	22300	22300	22500

Johannesburg — All Market: 6771.92, Previous: 6785.29

	High	Low	Close	Prev.
AngloAm Corp	280	274	276.50	273
AngloAm Gold	420	419.50	419.50	416
AngloAm Ind	167	165	167	164.75
Barlow	41.80	41.50	41.50	41.25
C.G. Smith	22.25	22	22.25	21.85
De Beers	139.50	138.25	138.75	137.75
Driefontein	58	57.50	57.50	57.50
Freegold	51	49.75	49.75	50.50
Fst Natl Bk	27.20	26.50	27.20	26.45
Gencor	16.35	16.10	16.30	16.05
GFSA	133.25	131.50	133	131
Iscor	2.80	2.75	2.80	2.74
Johnnies Ind	56.75	56.25	56.25	55.50
Kloof Gold	43.50	43	43	43
Liberty Life	136	133	135.50	132
Minorco	103.50	101.50	103.50	101.50
Nedcor	62	60.50	61.50	61
Rembrandt Gp	39	38.10	38.10	38
Richemont	69.75	69	69.75	68
Rust Platinum	78.25	77.50	78	76.50
SA Breweries	125	123	124.75	121
Sappi	43.30	43	43.15	43.10
Sasol	52.50	51.25	51.75	51.25
SBIC	171.50	170	171.50	171
Tiger Oats	56.25	55.50	56	55.25

Kuala Lumpur — Composite: 1105.42, Previous: 1093.32

	High	Low	Close	Prev.
Genting	18	17.80	18	17.90
Hicom Hldgs	7.10	6.90	7.10	7
Mal Banking	23.60	23	23.50	22.90
Mal Intl Ship F	7.40	7.30	7.40	7.30
Public Bank F	4.82	4.66	4.74	4.64
Resorts World	13.60	13.30	13.50	13.30
Sime Darby	8.15	8.05	8.05	8.05
Telekom Mal	21.60	21.30	21.50	21.30
Tenaga	9.10	9	9	9
Utd Engineers	17.80	17.60	17.70	17.60

London — FT-SE 100: 3872.70, Previous: 3855.90

	High	Low	Close	Prev.
Abbey Natl	5.94	5.83	5.87	5.81
Allied Domecq	4.70	4.64	4.69	4.66
Anglian Water	5.79	5.70	5.77	5.78
Arjo Wiggins	1.87	1.82	1.86	1.83
Asda Group	1.13	1.06	1.10	1.10
Assoc Br Foods	4.05	4.03	4.04	3.98
BAA	4.81	4.74	4.75	4.74
Barclays	9.12	9.00	9.10	9.04
Bass	8.17	8.12	8.14	8.06
BAT Ind	4.52	4.38	4.40	4.39
Bank Scotland	2.54	2.51	2.54	2.50
BICC	3.35	3.32	3.35	3.32
Blue Circle	3.78	3.73	3.76	3.74
BOC Group	8.83	8.76	8.80	8.66
Boots	6.25	6.15	6.19	6.20
Bowater	3.87	3.81	3.86	3.84
BPB Ind	3.65	3.63	3.64	3.62
Brit Aerosp	10.02	9.95	10.01	9.97
Brit Airways	5.22	5.14	5.20	5.13
Brit Gas	2.05	2.02	2.03	2.03
Brit Petm	6.33	6.22	6.25	6.30
Brit Steel	1.90	1.87	1.90	1.87
Brit Telecom	3.78	3.70	3.75	3.75
BTR	2.63	2.55	2.59	2.55
Burmah Cast	10.90	10.65	10.85	10.67
Cable Wireless	4.29	4.23	4.27	4.32
Cadbury Schw	5.23	5.17	5.23	5.11
Caradon	2.25	2.20	2.24	2.21
Carlton Comm	4.84	4.76	4.83	4.79
Coats Viyella	1.64	1.57	1.61	1.58
Comml Union	5.96	5.90	5.94	5.95
Courtaulds	4.44	4.33	4.39	4.33
De La Rue	6.40	6.36	6.36	6.35
EMI Group	14.45	14.23	14.35	14.38
Eng China Cl	2.50	2.45	2.49	2.49
Enterprise Oil	5.28	5.16	5.28	5.22
Fam Colonial	1.56	1.55	1.55	1.55
Genl Accident	6.50	6.41	6.45	6.47
GEC	3.88	3.82	3.84	3.86
GKN	10.67	10.48	10.65	10.45
Glaxo	9.34	9.12	9.18	9.14
Granada Gp	8.64	8.50	8.58	8.51
Grand Met	4.70	4.65	4.68	4.63
GRE	2.57	2.54	2.56	2.51
Guinness	4.72	4.67	4.70	4.67
GUS	6.49	6.42	6.47	6.36
Hanson	1.60	1.56	1.58	1.57
Hillsdown Hdg	1.90	1.83	1.87	1.89
HSBC Hldgs	11.07	10.87	10.94	10.75
ICI	8.29	8.20	8.25	8.20
Inchcape	2.96	2.88	2.91	2.97
Kingfisher	6.70	6.59	6.69	6.59
Ladbroke	2.12	2.07	2.11	2.03
Land Sec	6.85	6.78	6.83	6.75
Laporte	7.46	7.36	7.36	7.36
Lasmo	1.99	1.95	1.97	1.98
Legal Genl Grp	7.34	7.29	7.31	7.23
Lloyds Abbey	6.04	5.97	5.99	5.97
Lloyds TSB Gp	3.72	3.65	3.67	3.65
London Elec	6.30	6.20	6.26	6.17
Lucas Ind	2.42	2.34	2.36	2.33
Marks Spencer	4.90	4.84	4.87	4.84
MEPC	4.32	4.28	4.32	4.30
Mercury Asset	10.15	9.79	10.10	9.88
Midlands Elec	4.25	4.25	4.02	4.02
Natl Power	3.97	3.93	3.93	3.92
NatWest	6.74	6.59	6.68	6.59
News Intl	3.75	3.75	3.75	3.75
Utd Utilities	6.05	5.98	6.05	5.99
Nthern Foods	2	1.97	1.97	2
P&O	5.21	5.16	5.18	5.16
Pearson	6.72	6.64	6.70	6.67
Pilkington	2.06	2.02	2.06	2
PowerGen	4.98	4.93	4.94	4.97
Prudential	4.34	4.25	4.32	4.27
Rank Org	4.67	4.56	4.61	4.58
Reckitt Colm	6.95	6.88	6.91	6.87
Redland	4.50	4.38	4.44	4.37
Reed Intl	11.50	11.37	11.47	11.42
Rentokil	4.18	4.10	4.14	4.08
Reuters Hdgs	7.55	7.48	7.53	7.48
RMC Group	11.10	10.98	11.06	10.89
Rolls Royce	2.32	2.25	2.29	2.24
Royal Bk Scot	4.84	4.73	4.77	4.87
RTZ reg	9.79	9.67	9.78	9.54
Royal & Sun All	4.14	4.10	4.10	4.06
Safeway	3.34	3.32	3.32	3.34
Sainsbury	3.88	3.77	3.83	3.84
Schroders	14.60	13.74	14.28	13.70
Scot Newcastle	6.82	6.78	6.81	6.73
Scot Power	3.23	2.95	3.09	3.00
Sears	0.97	0.95	0.95	0.96
Severn Trent	6.08	6.02	6.03	5.98
Shell Trnsp reg	9.62	9.47	9.57	9.45
Siebe	9.35	9.25	9.32	9.19
Smith Nephew	2.05	1.95	2.04	1.96
Smith (WH)	5.12	5.07	5.08	5.08
SmithKline	7.53	7.45	7.48	7.48
Smiths Ind	7.75	7.62	7.73	7.68
Sthern Elec	6.73	6.63	6.72	6.55
Stand Charter	7.09	7.02	7.03	6.99
Tate & Lyle	4.63	4.55	4.61	4.53
Tesco	3.02	2.90	2.97	3
Thames Water	5.55	5.49	5.51	5.48
3i Group	4.70	4.67	4.68	4.67
TI Group	5.58	5.50	5.58	5.47
Tomkins	2.65	2.60	2.62	2.60
Unilever	13.10	12.91	13.07	12.90
Utd Biscuits	2.06	2.03	2.05	2.05
Utd News	7.18	6.96	6.96	7.05
Vendome uts	5.94	5.92	5.92	5.91
Vodafone	2.42	2.23	2.30	2.37
Whitbread	7.33	7.08	7.13	7.11
Williams Hdgs	3.59	3.55	3.59	3.55
Wolseley	4.55	4.50	4.53	4.54
Zeneca	15.53	15.40	15.50	15.35

Madrid — Bolsa Index: 349.32, Previous: 352.01

	High	Low	Close	Prev.
Acerinox	13960	13720	13880	13720
ACESA	1345	1330	1330	1335
Argentaria	5160	5050	5070	5140
BBV	5270	5240	5250	5240
Banesto	811	807	807	808
Bankinter	14320	14100	14210	14180
Bco Central Hisp	2545	2505	2515	2530
Bco Exterior	2800	2800	2800	2820
Bco Popular	21900	21530	21590	21710
Bco Santander	6290	6240	6260	6220
CEPSA	3830	3740	3825	3790
Corp Mapfre	6090	5940	5990	6040
Dragados	1585	1570	1580	1580
Endesa	7310	7200	7240	7270
FECSA	923	905	908	912
Fomento Const	9930	9690	9800	9830
Gas Natural	23800	23500	23580	23960
Hidrocl Cantab	4040	3990	3995	3995
Iberdrola	1145	1110	1115	1125
Pryca	2940	2800	2825	2955
Repsol	4115	3990	4035	4070
Sevillana Elec	1015	999	1000	1010
Tabacalera	5150	5060	5120	5110
Telefonica	2385	2350	2350	2340
Union Fenosa	759	748	749	753
Valenc Cement	1420	1410	1410	1410

Manila — PSE Index: 3197.40, Previous: 3207.89

	High	Low	Close	Prev.
Ayala A	19.50	19.25	19.50	19.75
Ayala Land	34	33.50	34	33.50
Manila Elec A	106	105	106	105
Metro Bank	625	615	620	625
Petron	10.50	10.50	10.50	10.50
Phil Long Dist	1585	1575	1575	1575
San Miguel A	40.50	39.50	40	40.50
San Miguel B	86.50	86	86	86
SM Prime Hdg	6.10	5.90	6	6

Mexico — Bolsa Index: 3329.99, Previous: 3366.99

	High	Low	Close	Prev.
Alfa A	33.45	32.80	33.45	32.55
Cemex B	32.25	31.30	32.25	31.15
Cifra C	11.60	11.46	11.60	11.40
Empresas ICA	116.80	114.00	116.80	113.80
Emp Modema	38.55	37.80	38.00	38.00
Femsa	23.10	22.75	23.00	22.75
Gpo Carso A1	34.75	33.90	34.75	33.90
Televisa CPO	113.20	110.50	113.00	112.50
TelMex L	12.74	12.44	12.74	12.40
Tribasa	19.40	19.00	19.40	19.30

Milan — MIB Telematico: 9339.00, Previous: 9335.00

	High	Low	Close	Prev.
Alleanza Assic	11200	11005	11050	11230
Bca Comm Ital	2805	2770	2770	2760
Bca Naz Agricol	790	770	789	784
Bca Naz Lavoro	11000	10900	10980	10865
Bco di Roma	1122	1090	1090	1138
Bco Ambrosiano	3350	3215	3270	3220
Benetton	16570	16010	16415	16150
Credito Italiano	1715	1673	1685	1679
Fiat	4525	4455	4455	4505
Fondiaria	5845	5545	5550	5625
Generali Assic	32900	32350	32650	32300
IFIL	3580	3490	3525	3520
Italcementi	10320	9950	10300	9990
Italgas	5250	5180	5190	5240
Mediobanca	8180	7960	8025	7940
Montedison	962	940	940	958
Olivetti	830	733	750	723
Pirelli	2520	2480	2495	2485
RAS	12945	12660	12795	12600
Rinascente	9400	9150	9400	9250
S Paolo Torino	9520	9225	9365	9400
SME	N.T.	N.T.	N.T.	2400
Standa	N.T.	N.T.	N.T.	13750
Stet	4770	4700	4705	4730
Telecom Italia	2925	2890	2890	2900
Toro Assic	16250	15950	16200	16000

Montreal — Industrials Index: 2361.64, Previous: 2349.27

	High	Low	Close	Prev.
Alco I	20.10	20.05	20.05	20
Bank Montreal	33.45	33.30	33.40	33.35
Bce Mob Com	40½	40.10	40.20	40.40
Cdn Tire A	16.60	16.30	16.60	16.45
Cdn Util A	28½	28.45	28½	28.60
Cascades	6	5.95	6	5.95
CT Finl Svc	30	29.50	29.50	29.50
Extendicare	15.30	15.30	15.30	15¼
Gaz Metro	15.80	15.45	15.70	15.70
Gt-West Lifeco	25.55	25½	25½	25½
Hees Intl Bcp	16¼	16.10	16¼	16.25
Hudson's Bay	20.20	20	20.20	20.05
Imasco	36.90	36.70	36.90	36.80
Investors Grp	19.75	19.55	19.75	19.50
Loblaw Cos	11.40	11.35	11.35	11.35
Molson A	20.80	20.80	20.80	20.85
Natl Bk Canada	11½	11.40	11.45	11.45
Oshawa A	21	20.90	21	20.90
Pancdn Petm	48	48.40	48.40	49
Power Corp	24.10	23.95	23.95	23.80
Power Finl	39¼	39	39	39½
Quebecor B	21.30	21.20	21.20	21¼
Rogers Comm B	9¾	9.65	9.70	9¾
Royal Bk Cda	34.45	34.20	34.40	34.20
Sears Canada	7.95	7.80	7.90	7.90
Shell Cda A	47	46.25	46.70	46¾
Southam	16.45	16.35	16.45	16.40
Stelco A	6.60	6.55	6.60	6.55
Trilon Finl A	5.70	5.70	5.70	5.60

Oslo — OBX Index: 456.10, Previous: 448.65

	High	Low	Close	Prev.
Aker A	127	125.50	125.50	125.50
Bergesen Dy B	133.50	132	133	130
Christiania Bk	16.20	16.10	16.10	16
Den norske Bk	20.70	20.60	20.70	20.40
SAS Norge ASA	62.50	61	62	62
Dyno Indust	149	146	149	145
Elkem	91	90	90.50	89.50
Hafslund A	46.50	46	46	46
Kvaerner	228.50	226	228.50	223
Leif Hoegh	114	110	113	108
Norsk Hydro	301.50	298	301.50	296
Norske Skog A	198.50	197	198.50	193
Orkla	356	353	354	356
Rieber B	137	132	132	136
Saga Petm B	93	91	92.50	91.50
Schibsted	93.50	93	93.50	93
UniStorebr A	35.70	35.30	35.70	34.80

Paris — CAC-40: 1984.77, Previous: 1971.43

	High	Low	Close	Prev.
Accor	617	610	614	610
AGF	131.90	130	131.70	130.10
Air Liquide	881	871	879	875
Alcatel Alsth	391.40	387.10	387.20	388
Axa	286.50	282.10	283.10	284.60
Bancaire	506	498.20	505	503
BNP	182.50	180.50	181.40	180.70
Bouygues	498	492.10	492.20	492.20
Canal Plus	1166	1158	1161	1156
Carrefour	2709	2610	2697	2585
CCF	234.50	231.30	232	232.50
Credit Local d	425	415	425	413
Credit Lyon PC	115	113.10	114	114
Crown Cork Seal	233.60	233.60	233.60	232.10
Danone	694	685	692	685
Elf-Aquitaine	387.50	381.30	382.50	381.80
Eridania BS	728	717	719	715
Euro Disney	12.10	11.95	12.10	11.95
Eurotunnel uts	8.15	7.90	7.90	8.15
Gen. Eaux	485.90	482.10	482.30	481.90
Havas	339.40	336.50	337.50	337.50
Lafarge Cop	287.70	279.30	285	278.40
Legrand	784	764	779	761
L'Oreal	1581	1565	1566	1558
LVMH	1068	1054	1060	1056
Lyon. Eaux	443	439.30	443	439.20
Michelin B	240.80	237	240.10	237
Navig Mixte	723	723	723	723
Paribas A	314.60	311.10	312.50	311
Pechiney SA	212.50	211.60	212.10	212
Pernod Ricard	304	297	298.60	304
Peugeot Cit	577	571	574	568
Pinault-Print	1677	1637	1670	1640
Promodes	1237	1218	1231	1224
Renault	114	112.50	114	113.80
Rh-Poulenc A	132.80	130.80	131.90	132
Roussel-Uclaf	1200	1184	1190	1189
Sanofi	398	395	398	394.50
Schneider	224.90	221	224.90	221
Ste Generale	566	556	558	565
St Gobain	631	623	630	622
St Louis	1188	1175	1180	1185
Suez	184.60	182.30	184	183.40
Thomson CSF	148.50	144.10	146.80	148.20
Total B	390.40	382.30	385	384.50
UAP	101.20	100.10	100.80	100.40
Valeo	268.50	256	258	255.90

São Paulo — Bovespa Index: 62572.70, Previous: 62714.70

	High	Low	Close	Prev.
Bco Brasil Pfd	10.25	9.80	10.01	10.00
Banespa Pfd	3.10	3.00	3.10	3.05
Bradesco Pfd	8.55	8.40	8.55	8.64
Brahma Pfd	645.00	644.00	644.85	643.02
Cemig Pfd	31.30	31.00	31.30	30.99
CESP Pfd	30.51	30.50	30.50	30.00
Eletrobras B	280.00	279.00	279.00	282.00
Itaubanco Pfd	416.25	416.00	416.25	416.00
Light	294.00	291.01	294.00	292.50
Paranapan Pfd	8.50	7.70	7.76	7.80
Petrobras Pfd	121.50	119.80	120.50	120.00
Sid Nacional	23.20	22.50	22.63	23.40
Souza Cruz	7.15	7.10	7.10	7.10
Telebras Pfd	76.00	75.12	75.40	75.80
Telesp Pfd	205.00	195.99	198.00	197.00
Usiminas Pfd	1.06	1.04	1.06	1.05
CVRD Pfd	19.90	19.60	19.85	19.65

Seoul — Composite Index: 791.64, Previous: 749.88

	High	Low	Close	Prev.
Daewoo Heavy	6300	6150	6250	6150
Hyundai Eng	32400	31000	31900	30600
Hyundai Motor	31400	30300	31800	29800
Korea El Pwr	25800	25200	25800	24400
Korea Mob Tel	577000	553000	577000	545000
LG Electronics	15000	14400	14400	14600
Pohang Iron St	49700	47900	49100	46900
Samsung Elec	62800	61200	61600	60900
Samsung Hvy	10800	10400	10500	10600
Yukong	21600	21200	21200	20700

Singapore — Straits Times: 2094.48, Previous: 2105.26

	High	Low	Close	Prev.
Cerebos Pac	11.60	11.30	11.30	11.60
City Devts	11.60	11.30	11.40	11.20
Cycle Carriage	13.20	12.70	12.80	12.70
Dairy Farm Int*	0.79	0.78	0.78	0.78
DBS	9	8.95	8.95	8.95
DBS Land	4.70	4.62	4.70	4.62
Fraser & Neave	14.30	13.90	13.90	14
HK Land*	2.28	2.24	2.25	2.26
Hong Leong Fin	N.T.	N.T.	N.T.	3.42
Jard Matheson*	6.40	6.15	6.40	6.15
Jard Strategic*	3.24	3.14	3.24	3.10
Keppel	10.70	10.40	10.40	10.60
Natsteel	2.40	2.28	2.32	2.29
Neptune Orient	1.26	1.24	1.25	1.25
OCBC foreign	16.60	16.40	16.60	16.40
O'Sea Union Bk	6.50	6.45	6.50	6.50
Sembawang	6.35	6.10	6.15	6.20
Sing Airlines F	14.50	14.20	14.20	14.30
Sing Petm	1.81	1.80	1.80	1.79
Sing Press F	23.60	22.90	23	23.30
ST Auto F	2.89	2.87	2.87	2.86
ST Ship	N.T.	N.T.	N.T.	2.14
Sing Telecomm	3.38	3.28	3.30	3.36
Straits Steam	4.70	4.64	4.70	4.68
Utd Industrial	1.31	1.27	1.31	1.27
Utd O'Sea Bk F	13.40	13.30	13.40	13.30
Wing Tai Hdgs	3.08	3.06	3.08	3.10

*: In U.S. dollars.

Stockholm — SX 16 Index: 2081.39, Previous: 2064.96

	High	Low	Close	Prev.
AGA BF	107.50	105.50	105.50	107
ABB AF	713	709	709	708
AssiDoman F	167	165	167	165
Astra AF	279	275.50	275.50	277.50
Atlas Copco AF	138	134	137	135
Avesta F	68	67	68	66
Electrolux BF	395	385	389	385.50
Ericsson BF	154	151.50	153.50	150
Hennes BF	694	685	691	686
Incentive AF	360	355.50	360	356
Investor BF	239	236.50	237.50	235.50
Kinnevik BF	186	185	186	185
MoDo BF	193.50	191	192	190.50
Sandvik BF	154	152.50	153.50	153.50
SCA BF	140	138	139	138
S-E Banken AF	57	55.50	56.50	56
Skandia Fors F	159	158	158.50	157.50
Skanska BF	247	243	246	245
SKF BF	157.50	156	156.50	156.50
SSAB BF	97	95	96	93
Stora AF	94	92.50	93.50	92
Sv Handles AF	139	136	138.50	135
Sydkraft AF	148	147	148	146
Trelleborg BF	98	97.50	98	97
Volvo BF	144	141.50	142	140.50

Sydney — All Ordinaries: 2258.50, Previous: 2244.60

	High	Low	Close	Prev.
Amcor	7.58	7.40	7.53	7.42
ANZ Bkng	6.49	6.40	6.49	6.42
BHP	17.28	17.18	17.23	17.12
Boral	3.03	3	3.01	3.01
Brambles Ind.	19.56	19.35	19.55	19.30
Burns Philp	1.85	1.82	1.85	1.83
CBA	10.78	10.63	10.77	10.60
CC Amatil	16.40	16.10	16.15	16.30
Coles Myer	4.41	4.37	4.41	4.37
Comalco	6.98	6.96	6.98	6.93
CRA Ltd	19.25	19.04	19.10	19.08
CSR	4.42	4.38	4.39	4.40
Fosters Brew	2.33	2.32	2.32	2.32
GIO Australia	3.11	3.07	3.08	3.07
Goodman Fld	1.32	1.30	1.30	1.31
ICI Australia	11.44	11.30	11.44	11.30
John Fairfax	2.64	2.62	2.64	2.61
Lend Lease	20.89	20.75	20.86	20.72
Mayne Nickless	8.51	8.39	8.50	8.51
MIM Hdgs	1.59	1.58	1.58	1.57
Nat Aust Bank	12.28	12.09	12.28	12.06
News Corp	6.78	6.71	6.77	6.68
North Ltd	3.87	3.85	3.86	3.85
Pacific Dunlop	2.72	2.68	2.69	2.71
Pioneer Intl	3.50	3.43	3.46	3.49
Placer Pacific	1.62	1.60	1.60	1.60
Santos	4.95	4.90	4.94	4.90
Southcorp	3.41	3.37	3.37	3.36
Westfarmers	7.80	7.71	7.80	7.71
Wstrn Mining	8.75	8.46	8.67	8.65
Westfield Trt	2.32	2.31	2.31	2.31
Westpac Bkng	6.19	6.05	6.17	6.02
Woodside Pet	7.85	7.65	7.74	7.68
Woolworths	2.81	2.77	2.79	2.76

Taipei — Stock Market Index: 6228.78, Previous: 6257.97

	High	Low	Close	Prev.
Asia Cement	50.50	50	50.50	50.50
Cathay Life Ins	170	168	168	170
Chang Hwa Bk	156	154	155	156
China Steel	26.90	26.30	26.90	26.60
China Trust	51	50	50	51
Evergreen	48.90	48	48.20	48.90
Far East Text	30.30	29.20	29.70	30.10
First Bank	162	160	160	162
Formosa CF	32.90	32	32.90	32.40
Hua Nan Bk	132	130	130.50	132
Hualon Teijran	23.60	23.20	23.50	23.40
ICBC	83.50	82.50	83	83.50
President Ent	40.80	40.30	40.60	40.60
Taiwan Cemt	55	54	54	54.50
Tatung	59	58	58.50	59

Tokyo — Nikkei 225: 20201.87, Previous: 20198.20

	High	Low	Close	Prev.
Ajinomoto	1190	1160	1170	1170
All Nippon Air	1100	1080	1100	1090
Asahi Bank	1220	1200	1200	1220
Asahi Chem	726	720	720	730
Asahi Glass	1220	1200	1210	1210
Bk Tokyo Mitsu	2200	2160	2170	2200
Bk Yokohama	887	874	874	883
Bridgestone	1810	1780	1810	1790
Canon	2080	2040	2040	2030
Chiba Bank	849	830	830	854
Chubu Elec	2410	2380	2400	2400
Chugoku Elec	2310	2280	2280	2300
Daiei	1100	1070	1080	1090
Daiichi Kang	1810	1790	1810	1810
Daiwa Bank	703	701	702	702
Daiwa House	1530	1510	1520	1520
Daiwa Sec	1240	1220	1230	1240
Fanuc	4080	3950	3970	4000
Fuji Bank	2030	2000	2010	2020
Fuji Photo	3230	3210	3220	3230
Fujitsu	993	981	984	990
Hitachi	990	984	987	994
Honda Motor	2540	2510	2530	2510
IBJ	2310	2280	2300	2310
IHI	508	502	507	506
Itochu	652	640	645	652
Ito-Yokado	5820	5750	5780	5830
JAL	789	775	779	797
Jusco	3240	3190	3230	3190
Kajima	968	946	953	969
Kansai Elec	2380	2370	2380	2380
Kao	1300	1280	1290	1300
Kawa Steel	363	356	363	360
KOD	10600	10200	10400	10700
Kinki Nipp Ry	770	761	764	764
Kirin Brewery	1170	1150	1170	1160
Kobe Steel	287	283	285	283
Komatsu	906	899	901	907
Kubota	648	640	648	640
Kyocera	7460	7390	7450	7410
Kyushu Elec	2340	2330	2330	2340
LTCB	726	720	723	733
Marubeni	534	523	528	524
Marui	2110	2040	2050	2100
Matsu Elec Ind	1830	1800	1800	1820
Matsu Elec Wk	1090	1080	1080	1090
Mitsubishi	1260	1240	1250	1240
Mitsubishi Ch	469	460	465	460
Mitsubishi El	693	675	684	698
Mitsubishi Est	1330	1310	1330	1330
Mitsubishi Hvy	869	861	864	858
Mitsubishi Mat	884	881	881	885
Mitsubishi Tr	1600	1570	1580	1600
Mitsui	916	909	910	908
Mitsui Fudosn	1340	1320	1330	1340
Mitsui Trust	1080	1060	1080	1080
Murata Mfg	3980	3880	3860	3910
NEC	1170	1150	1160	1170
New Oji Paper	872	862	862	863
Nikko Sec	1110	1090	1100	1090
Nintendo	6760	6610	6760	6640
Nipp Credit Bk	376	373	375	376
Nipp Express	950	934	941	946
Nippon Oil	685	672	679	687
Nippon Paper	644	636	639	645
Nippon Steel	351	345	347	344
Nippon Yusen	578	574	575	573
Nippondenso	2250	2230	2240	2250
Nissan Motor	826	821	823	824
NKK	292	287	289	291
Nomura Sec	1940	1890	1900	1940
NTT	7940a	7860a	7860a	7790a
Obayashi	904	889	889	904
Odakyu El Ry	703	696	703	705
Ono Pharm	3550	3510	3520	3560
Osaka Gas	374	370	373	370
Ricoh	1070	1050	1060	1060
Sakura Bk	1040	1030	1030	1030
Sankyo	2700	2680	2680	2680
Sanwa Bank	1930	1900	1910	1940
Sanyo Elec	558	553	557	564
Secom	6860	6850	6860	6880
Seibu Rwy	5900	5560	5560	5730
Sekisui House	1160	1140	1140	1140
Seven-Eleven	6600	6530	6550	6570
Sharp	1750	1730	1730	1740
Shimizu	1060	1040	1040	1060
Shin-etsu Ch	1910	1900	1900	1920
Shizuoka Bk	1230	1210	1210	1240
Sony	6860	6790	6810	6830
Sumitomo	905	890	898	905
Sumitomo Bk	1960	1930	1940	1970
Sumit Chem	487	480	484	484
Sumitomo Elec	1450	1420	1430	1440
Sumit Metal	314	302	314	305
Sumit Trust	1270	1240	1250	1280
Taisei	697	674	674	689
Taisho Pharm	2270	2240	2250	2230
Takeda Chem	1900	1870	1880	1860
TDK	6520	6420	6490	6400
Tohoku El Pwr	2330	2310	2310	2310
Tokai Bank	1290	1280	1280	1280
Tokio Marine	1270	1250	1260	1280
Tokyo El Pwr	2640	2620	2630	2630
Tokyo Gas	369	364	368	366
Tokyu	725	710	721	718
Tonen	1480	1450	1460	1450
Toppan Print	1400	1360	1370	1390
Toray Ind	667	662	667	667
Toshiba	710	697	697	709
Toyo Seikan	3500	3400	3500	3460
Toyo Trust	955	927	930	965
Toyota Motor	2630	2610	2610	2620
Yamaichi Sec	665	656	660	657
Yamanouchi	2260	2250	2260	2250
Yasuda Fire	716	706	711	715
Yasuda Trust	552	547	552	547

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Toronto — TSE Industrials: 5163.77, Previous: 5151.89

	High	Low	Close	Prev.
Abitibi Price	18.60	18½	18.55	18.60
Air Canada	5.05	4.90	5	4.85
Alberta Energy	25½	25¼	25½	25¼
Alcan Alum	43.85	43	43.70	43.05
Avenor A	23.60	23.40	23.60	23.45
Bk Nova Scotia	33.80	33.60	33.65	33.70
Barrick Gold	37.70	37.35	37.70	37.55
BCE	54.35	54	54.30	54
BC Telecomm	28	27.90	27.95	27.95
Bombardier B	19¼	19.05	19.10	19¼
Brascan A	26	25.65	26	26
Cameco	69.10	68¾	68.90	68½
CIBC	45.45	45.30	45.45	45.40
Cdn Airlines	1.95	1.86	1.95	1.85
Cdn Nat Res	29.30	29	29.10	28.65
Cdn Occid Pet	23¼	23.15	23¼	23.05
Cdn Pacific	31¼	30.80	31¼	31.10
Cominco	30.90	30.55	30.70	30.70
Consumers Gas	21.70	21½	21½	21¼
Dofasco	21.10	20.70	20.95	20.70
Doman Ind B	8.65	8.45	8.65	8.85
Du Pont Cda A	30	29¾	30	30
Echo Bay Min	13.60	13.40	13.60	13.55
Empire Co. A	N.T.	N.T.	N.T.	13¼
Falconbridge	30	29.80	29.80	29.95
Fletcher Chall A	19.65	19½	19½	19.55
Franco Nevada	48	46¼	47.55	46½
Guardian Cap A	9.10	9	9.10	9.10
Horsham	18.80	18.45	18.60	18.70
Imperial Oil	59¾	58.65	58¾	59.95
Inco	44.30	44	44.30	44.10
IPL Energy	36.60	36¼	36.60	36.35
Laidlaw A	13.45	13.30	13.45	13.10
Laidlaw B	13.60	13.20	13½	13.15
Loewen Group	40.90	40	40.90	40
Ldn Insur Gp	30.90	30.80	30.90	30.80
Macmill Bld	19.80	19.60	19.60	19.80
Magna Intl A	66.80	65.60	66	66.45
Maple Leaf Fds	7.85	7.80	7.85	7.80
Moore	24.40	24.20	24¼	24.45
Newbridge Net	83½	80.85	82.80	80.65
Noranda Inc	29.30	28.90	29.20	29
Noranda Forest	9.05	8.95	9.05	8.95
Norcen Energy	25.85	25.10	25.80	25.10
Nthern Telecom	68.80	67.80	68.80	68.60
Nova	12.20	12	12.05	12.10
Onex	14.10	14	14	14.10
Placer Dome	33.30	33.05	33.20	33.30
Potash Sask	102	100.80	101.20	100¼
Provigo	6.70	6.60	6.60	6.70
Quebecor Print	23.80	23.45	23.45	23.70
Renaissance	39.70	39.30	39.60	39.30
Rio Algom	27½	27.20	27½	27¼
Seagram Co	45.40	45.10	45.20	45.30
Stone Consold	16.20	15¾	15.90	16¼
Talisman Eny	35	34.20	34.90	34.40
Teleglobe	23.95	23.85	23.95	23.90
Telus	18.80	18.70	18.80	18¾
Thomson	24.80	24¼	24.35	24.80
TorDom Bank	26.20	26	26.15	26
Transalta	15.40	15.20	15¼	15.25
TransCda Pipe	22.05	21.90	22.05	21.95
Utd Dominion	29	28.80	29	29
Westburn	10.10	10	10.10	10
Westcoast Eny	21.80	21.60	21.65	21.90
Weston	52.85	52¼	52.55	52½

Vienna — ATX Index: 1030.23, Previous: 1022.37

	High	Low	Close	Prev.
Aust Airlines	1500	1500	1500	1550
Brau-Un Goess	630	620	628	625
Bund Vers Pfd	405	405	405	490
Creditanst Pfd	488	482	484	479
EA-Generali	2899	2830	2847	2840
EVN	1401	1401	1401	1401
Interunfall	1520	1520	1520	1520
Lenzing	678	645	675	650
Leykam	288.95	280	284	280
Mayr-Melnhof	486	472	482	472
OMV	1035	1011	1027.50	1009
Oest Brau	655	645	651	645
Oest Elektriz	757.25	752	756.25	753
VA Tech	1307	1291	1305	1298
Wienerberger	1944.30	1926	1935	1919

Wellington — NZSE-40 Index: 2237.73, Previous: 2223.89

	High	Low	Close	Prev.
Air N Zealand B	3.24	3.16	3.17	3.25
Brierly Invt	1.44	1.43	1.43	1.43
Carter Holt ord	3.30	3.28	3.29	3.26
Fernz	4.39	4.35	4.39	4.35
Fisher Paykel	5.00	4.87	5.00	4.85
FC Forest	1.97	1.95	1.95	1.95
Goodman Fdr	1.50	1.49	1.49	1.50
Indep News	5.65	5.60	5.60	5.65
Lion Nathan	3.81	3.80	3.81	3.79
Nat Gas note	2.16	2.16	2.16	2.16
NZ Refining	27.00	26.50	27.00	26.50
Telecom NZ	7.00	6.93	6.98	6.93
Wilson Horton	9.50	9.50	9.50	9.45

Zurich — SPI Index: 2335.24, Previous: 2327.78

	High	Low	Close	Prev.
Adia B	342	335	337	336
Alusuisse R	930	924	930	924
Ares-Serono B	1215	1190	1200	1173
Baloise Hdg R	2500	2480	2495	2500
ABB B	1474	1466	1469	1467
BK Vision	N.T.	N.T.	N.T.	1410
Bobst B	1640	1635	1640	1630
Ciba Geigy R	1542	1530	1532	1533
CS Holdings R	124.25	122.25	124	122
Elektrowatt B	486	476	484	470
Fischer B	1176	1161	1170	1156
Hilti PC	880	875	875	860
Holderbank B	915	908	911	911
Jul. Baer Hdg B	1320	1305	1305	1310
Merkur Hdg R	209.75	205	206	207
Nestle R	1407	1398	1399	1399
Oerlikon R	121	120.50	120.75	121
Pargesa Hld B	1350	1340	1350	1350
PharmVisn B	N.T.	N.T.	N.T.	5480
Pirelli B	154	152	154	155
Roche Hdg PC	9085	8960	9040	9055
Sandoz R	1449	1438	1441	1442
SBC R	230.50	228.25	229.75	229
Schindler B	1182	1175	1180	1170
SGS B	2825	2780	2780	2820
SMH B	826	821	823	822
Sulzer R	753	716	728	742
Swiss Reins R	1299	1290	1294	1284
Swissair R	1087	1065	1065	1074
UBS B	1163	1148	1158	1147
Winterthur R	737	723	737	723
Zurich Assur R	375	371	375	372

NYSE

Wednesday's 4 p.m. Close

Nationwide prices, not reflecting late trades elsewhere.
The Associated Press.

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THE WORLD'S DAILY NEWSPAPER

Continued on Page 19

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ASIA/PACIFIC

Inter-Continental Joins Dynasty Hotel In 'Late' China Drive

By Kevin Murphy
International Herald Tribune

HONG KONG — Inter-Continental Hotels Corp., conceding that it was late in entering the Chinese market, said Wednesday it would join Dynasty Hotel Ltd. of Hong Kong in creating a chain of 25 hotels in China by 2010.

The venture, to be known as Dynasty Inter-Continental Hotels & Resorts China, would be the first time the luxury hotel chain had joined with another hotel management company and shared a brand name.

"We had to step back and admit we are coming late to this market," said Marcello Pigozzo, president, Asia-Pacific, for Inter-Continental Hotels & Resorts.

But, he said, a benefit of coming late was that "we can learn from others' mistakes."

Inter-Continental, whose owners include Seibu Saison Group of Japan, has 180 hotels in 67 countries but has only two hotels in China.

Dynasty, controlled by Andrew Chan, who transformed his own managerial experience with Western hotel groups into a four-property chain in China, will offer Inter-Continental its on-the-ground expertise and relationships throughout a country that has proved difficult for hotel investors and managers.

Inter-Continental did not say how much it was investing in the venture.

"It's a relatively small deal, but the implications are significant for the whole region," said Steve Kleinschmidt, managing director of PKF Consulting Ltd., which specializes in hotel and tourism.

"There is no question these type of alliances are going to be a trend, not just in China but throughout Asia."

The deal, which ended 15 months of negotiations, will also add nearly 1,800 rooms in Beijing, Qingdao, Chengdu and Xian to Inter-Continental's global network, which was founded in 1946 by Pan American World Airways.

Analysts said several newer hotel companies such as Dynasty Group, which was founded in 1986 by Mr. Chan, were looking for ways to expand their reach beyond one or two Asian countries.

At the same time, they said, many large international chains have found it difficult to expand past key "gateway" cities in Asia because of a lack of familiarity with other markets, a shortage of good properties and stretched management resources.

Inter-Continental's chairman for the Asia-Pacific region, Yuji Tsutsumi, said the company's emphasis in the next few years would be on developing deals similar to the pact with Dynasty in other markets.

"We could, for example, instantly have 50 new properties in India," Mr. Tsutsumi said, hinting at a series of negotiations now under way.

Wharf Cites Sale of Unit As Net Falls

Bloomberg Business News

HONG KONG — Wharf (Holdings) Ltd. said Wednesday its six-month net profit fell almost 57 percent from a year earlier, to 1.30 billion Hong Kong dollars ($168.1 million), because the sale of a unit in Singapore unit had inflated earnings in the 1995 period.

The decline masked a 37 percent rise in operating profit, to 1.33 billion dollars, that was driven by the company's port and property businesses.

Its cable-television unit continued to lose money, however. Chairman Gonzaga Li said earnings were also being held back by its fledgling telecommunications and China businesses.

Japan Profits' Shaky Gains

Improvement Could Vanish if Dollar Falters

Bloomberg Business News

TOKYO — Japanese companies are on their way to their third consecutive year of profit growth, with first-half earnings reported so far exceeding analysts' estimates by more than 5 percent.

But investors, analysts and even companies increasingly worry that the momentum will not last.

Pretax profit at Canon Inc. doubled in the first six months of 1996 from a year earlier, while Bridgestone Corp.'s earnings rose 30 percent. Honda Motor Corp. reported nearly a fourfold increase in profit for its first quarter, while Pioneer Electric Corp. rebounded from a loss in the quarter.

Much of the profit growth came from the renewed strength of the dollar, a trend that many economists say will not continue. Lingering problems, moreover, still threaten some corporate giants, including uncollectable loans for banks and falling semiconductor prices for chipmakers.

"I'm very optimistic about earnings for fiscal 1996, but that's the end of the story," said Yoshito Sakakibara of Salomon Brothers Asia Ltd. "With the slowdown of the economy beginning in April, earnings growth will decelerate significantly."

The growing concern over profits could deal a new blow to the Tokyo stock market, which is already suffering from fears that the country's long-awaited economic recovery is faltering.

Worries over the vulnerability of profits revolve around their reliance on the dollar and predictions that its resurgence will not last.

At Canon, for example, earnings from overseas operations rose as Canon sold more cameras and bubble-jet printers, especially in the United States. The dollar's 18 percent gain against the yen compared with the first half of 1995 helped raise the yen value of sales by 20 percent; had the dollar stayed unchanged, sales would have risen only 10.6 percent.

Pioneer credited the dollar for much of its unexpected pretax profit, its first in three quarters. Sales would have been flat with a steady dollar, instead of rising 12 percent. Bridgestone said worldwide sales rose 10 percent, partly because of the dollar's rise. Domestic sales, unaffected by currency rates, fell 1 percent.

Honda credited two popular recreational vehicles, the Odyssey minivan and the four-wheel-drive CR-V, with its huge gain in group net profit, but the dollar played a crucial role. The number of cars Honda sold in North America increased just 1 percent, but their value rose by half.

Thus, the company said, the stronger dollar was responsible for one-third of its operating profit, some 44 billion yen ($402.9 million). But economists say companies cannot count on currency gains to continue pumping up profits.

"The sort of moves we're looking at for the dollar from here on aren't going to make a significant difference," said Jason James of James Capel Pacific Ltd.

■ Steelmakers Cut Forecasts

Japanese steelmakers lowered their profit forecasts Wednesday for the six months through September, largely because of a delay in inventory adjustments, Reuters reported.

All of the top five makers except NKK Corp. cut their forecasts. The industry leader, Nippon Steel Corp., predicted parent-company pretax profit of 25 billion yen instead of its May forecast of 35 billion yen.

Philippine Airlines to Buy Boeings

Compiled by Our Staff From Dispatches

FARNBOROUGH, England — Boeing Co. said Wednesday that Philippine Airlines had ordered seven of its 747-400 jetliners in an accord valued at $1.18 billion.

The carrier will begin taking delivery of the jets in mid-1998. All the planes will be powered by General Electric Co. engines, Boeing said.

Boeing also said it had won an order from Chile's air force for one of its 737-500 jets. It did not disclose the value of that contract. The list price of the 737-500 is $36 million.

The new orders brought to $7.48 billion the firm orders that Boeing, the world's biggest commercial jet maker, has announced at the Farnborough air show this week.

Philippine Airlines is the latest of a long series of customers for the 747-400, the world's largest jet. Boeing has firm orders for more than 400 aircraft so far this year, making this its best sales year since 1990, when airlines ordered 484 jets.

Airbus Industrie, the world's second-largest jet maker, announced orders Tuesday valued at $2.4 billion and has pending orders that would bring the total to $3 billion for the week.

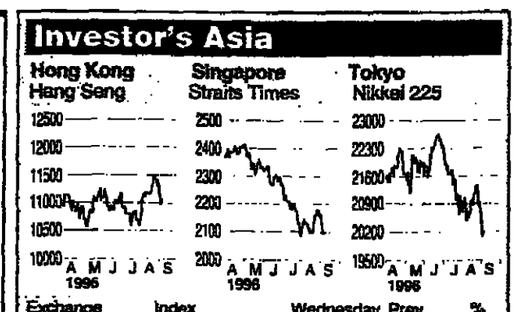
Aircraft makers often "save" orders received for a matter of weeks or months to be able to announce them at the biennial Farnborough show or, in alternate years, the Paris air show.

Separately, Taiwan and the Czech Republic are close to an agreement to co-produce AE-270 commercial jets with seating for from five to nine passengers, a Taiwan official said.

"We have been discussing the deal for quite a long time, and if things go smoothly this time, we should reach an agreement in the near term," said Jack Tang, deputy director of the Taiwan Economics Ministry's Committee for Aviation and Space Industry.

(Bloomberg, Reuters)

Investor's Asia



Exchange	Index	Wednesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	11,078.95	10,957.18	+1.09
Singapore	Straits Times	2,094.48	2,105.26	-0.51
Sydney	All Ordinaries	2,258.50	2,244.80	+0.62
Tokyo	Nikkei 225	20,201.87	20,198.15	+0.02
Kuala Lumpur	Composite	1,105.42	1,093.32	+1.11
Bangkok	SET	1,049.74	1,064.45	-1.38
Seoul	Composite Index	791.64	769.80	+2.84
Taipei	Stock Market Index	6,228.78	6,257.97	-0.47
Manila	PSE	3,197.60	3,207.89	-0.32
Jakarta	Composite Index	546.00	540.54	+1.01
Wellington	NZSE-40	2,237.73	2,223.09	+0.66
Bombay	Sensitive Index	3,516.90	3,486.66	+0.87

Source: Telekurs — International Herald Tribune

Very briefly:

- **LG Electronics Inc.** plans to invest $1 billion in **Brazil** by 2005 to build television and electronics factories.
- **South Korea's** benchmark stock index rose 2.84 percent in reaction to the government's news Tuesday that it would allow foreign investors to buy as much as a 20 percent stake in listed companies, compared with 18 percent now, and 15 percent of state companies, compared with 12 percent.
- **Singapore Airlines Ltd.'s** load factor fell 0.7 percentage point to 70.8 percent in July, dragged down by increases in cargo-carrying capacity and in cargo competition; it was the first year-to-year decline in the load factor since February.
- **Vietnam** is likely to delay its first overseas bond issue until next year because it has not reached an agreement on how to repay its commercial debt, a central bank official said.
- **Hong Kong's** sales of residential and nonresidential properties fell 21.5 percent in August, compared with July.
- **Glorious Sun Enterprises Ltd.**, a Hong Kong garment company, is seeking to raise a net 374.50 million Hong Kong dollars ($48.4 million) in an initial share sale to expand its JeansWest stores in China.
- **Publishing & Broadcasting Ltd.'s** net profit rose 50 percent, to 225.4 million Australian dollars ($178.3 million), in the year ended June 30, as sales rose 20 percent to 1.1 billion dollars.
- **Nomura Securities Co.** is under investigation by Japanese Finance Ministry regulators for allegedly compensating investors for stock-market losses, a Japanese newspaper said.

Bloomberg, Reuters

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GO: 0,510 FOD*: 0,321

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GO: 0,98 SCSP: 1,37
ZONE IV - F :
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ZONE IV - G :
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BELGIQUE en FBI - TVA 21%
GO: 22,15 FOD*: 11,02
SC97: 30,74 SCSP: 28,76

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d Japan Equity Fd $ 48.01+
d Germany Equity Fd DM 124.69+
d Global Bond Fd $ 59.22+
d Europe Bond Fd $ 59.22+
d US Bond Fund $ 57.26+
d Germany Bond Fd B DM 106.61+
d Spain Bond Fund Ptas 9527.00+
d Eastern Europe Eq Fd DM 102.21+
d China Equity Fd $ 54.15+
d Switzerland Equity Fd SF 118.39+
ABSOLUTE PERF (Tel:4191 9113015)
m Chorus International Ltd $ 103.16
m Pulsar (Mult) Ltd $ 110.89
AES WORLDFOLIO MUTUAL FUNDS
d $ Daily Income $ 1.00
d DM Daily Income DM 1.00
d $ Bond Income $ 19.71
d Non - $ Bonds $ 31.51
d Global Bonds $ 24.18
d Global Balanced $ 22.12
d Global Equities $ 24.44
d US Conservative Equities $ 21.03
d US Agressive Equities $ 24.88
d European Equities $ 14.73
d Pacific Equities $ 13.56
d Natural Resources $ 8.66
d Asia Growth Co $ 16.24
d Emerg Market Deb $ 15.11
AIG ASSET MANAGEMENT Ltd
d AIG Amer. Eq. Trust $ 51.0191
w AIG Asia Emerg Mkts Fd $ 101.9348
d AIG Balanced World Fd $ 129.7439
d AIG Emerg Mkts Bd Fd $ 116.9253
d AIG Eu MidEast & Af Em Mk $ 99.2049
w AIG Eurocu Fund Plc Ecu 128.6391
w AIG Euro Small Co Fd Plc $ 172.6703
w AIG Europe Fd Plc $ 137.0912
w AIG Japan Fund $ 69.7286
w AIG Japan Small Cos Fd $ 12.53
w AIG Latin America Fd Plc $ 126.6704
w AIG Millennium Bd Fd Plc $ 130.9225
w AIG South East Asia Fd $ 254.1609
w AIG Southeast Asia Sm Cos $ 103.5826
d High Life Fund Ecu 9.93+
d UBZ Euro-Optimizer Fund Ecu 13.55+
d UBZ Liquidity Fund $ $ 127.0320
d UBZ Liquidity Fund DM DM 137.6996
d UBZ Liquidity Fund Ecu Ecu 140.5382
d UBZ Liquidity Fund SF SF 130.2405
ALBATROS PERFORMANCE FUND
m Albatros Perf Financial $ 18519.49
m Albatros Perf Index DEM DM 22714.95
m Albatros Performance USD $ 24240.93
ALFRED BERG (Tel : 46 8 723 58 00)
ALFRED BERG NORDEN
d Aktier $ 284.38
d Likviditet Sverige Sek 106.54
d Obligation Sverige Sek 113.07
ALFRED BERG SICAV
d Global $ 192.45
d Germany DM 254.54
d Switzerland SF 224.96
d Europe DM 256.77
d North America $ 152.80
d For East $ 178.97
d Japan Y 11283.00
ALLIANCE CAPITAL MANAGEMENT
c/o Bank of Bermuda (352-4046463291)
w Alliance US Gr. Singles A $ 9.79
w Alliance US Gr. Singles B $ 9.68
w Alliance US Gr. Singles I $ 154.34
w Alliance US Gr. Singles N $ 152.58

[illegible]

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THE WORLD'S DAILY NEWSPAPER

هكذا من الأصل

صكذا من الأصل

NASDAQ

Wednesday's 4 p.m.

The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.

NYSE

Wednesday's 4 p.m. Close

(Continued)

Herald Tribune INTERNATIONAL
SPORTS

WORLD ROUNDUP

Williams Picks Frentzen

FORMULA ONE The Williams team announced Wednesday that Heinz-Harald Frentzen would replace Damon Hill, the drivers' championship leader, next season. *(Reuters)*

Players Boycott Team

RUGBY UNION England's 43-strong international squad boycotted the season's first training session Wednesday. Instead, players were to attend a meeting called by the English Professional Rugby Union Clubs, whose members employ the players and which is fighting over money with the Rugby Football Union, which administers English rugby and runs the national team. *(Reuters)*

Swedes Against Games

OLYMPICS Most Swedes do not want Stockholm to host the 2004 Olympics after witnessing the bomb blast and organizational chaos that marred the Atlanta Games. A poll of 1,100 Swedes found that opposition to hosting the Games jumped to 52 percent in late August. *(Reuters)*

Bryant Breaks Wrist

BASKETBALL Kobe Bryant, the Lakers' prize rookie, broke his left wrist when he fell during a pickup game in Venice, California. He is expected to be sidelined for six weeks, which will keep him out of two weeks of training camp. *(LAT)*

Spain Wins Match, 6-2

SOCCER Spain beat the Faeroe Islands, 6-2, in a Group 6 World Cup qualifying match Wednesday in Toftir. Alfonso Perez Munoz accounted for three goals in the 63d, 84th and 87th minutes. *(Reuters)*

U.S. Beats Slovakia

HOCKEY The United States completed the group section of the World Cup with a 3-0 record Tuesday after beating Slovakia, 9-3, in New York. Keith Tkachuk had three goals and an assist and Mike Modano two goals and one assist. *(AP)*

Monaco Shatters Lens

SOCCER The Nigerian striker Viktor Ikpeda scored twice in the first six minutes Tuesday as Monaco ended the short reign of Lens at the top of the French first division. Monaco won, 5-1, to allow Paris Saint-Germain, which won, 3-0, at Montpellier, to take first place.

Another Nigerian, Godwin Opkara, scored twice as Strasbourg beat Auxerre, 2-1, in the French champion's first defeat of the season.

Marseille's striker Xavier Gravelaine was sent off early in the game, but captain Jean-Philippe Durand scored a hat trick in 12 minutes to give his team a 3-1 home victory against Rennes. *(Reuters)*

Chang Ousts Sanchez For Trip to Semifinal

The Associated Press

NEW YORK — Michael Chang survived a closely contested match Wednesday with Javier Sanchez to advance to the men's semifinals in the U.S. Open.

With both players scrambling around the court, Chang prevailed, beating Sanchez, 7-5, 3-6, 7-6 (7-2), 6-3.

Earlier, Steffi Graf overcame Judith Wiesner, a surprisingly tough opponent, for a 7-5, 6-3 victory and a berth in the women's semifinals. Graf will play the winner of a quarterfinal later Wednesday between seventh-seeded Jana Novotna and No. 16 Martina Hingis. In the other semifinal, No. 2 Monica Seles will face No. 4 Conchita Martinez, both straight-set winners Tuesday.

U.S. OPEN

Chang's foe in the next round will be decided Wednesday night when third-seeded Thomas Muster of Austria and No. 6 Andre Agassi play.

Chang was only 17 when he won the French Open in 1979. He's still seeking a second Grand Slam tournament title.

Against Sanchez, Chang fell behind, 5-3, in the opening set. But the right-hander known for his speed, tenacity and big groundstrokes, used all three to capture the opening set. After winning the second set, Chang went up two service breaks at 3-0 in the third. That's when Sanchez again found the winning touch, pulling even at 4-4 and finally capturing the set in a tiebreaker.

"I knew that Javier was not going to go away, and he didn't," Chang said. "Javier did not get to the quarterfinals by playing mediocre tennis."

Chang jumped out early in the fourth set, just as he had in the third. This time, though, he held on, finally closing out the 2-hour, 49-minute match on the fourth match point.

Graf, the top seed and the defending champion in this tournament, was pushed hard by Wiesner, who always plays Graf tough but has yet to beat her.

Wiesner, an Austrian ranked 24th in the world, made Graf work for every point and every game. There were only three love games in the match, and Wiesner served one of those in a match that lasted just 84 minutes.

"Maybe I haven't played the best tennis the first few rounds, but I know when I get to the important matches, I'll be up there," said Graf, who won her 40th straight Grand Slam tournament match.

Graf's father and adviser, Peter Graf, goes on trial Thursday for tax evasion in Mannheim, Germany, facing a possible 10-year prison sentence if convicted.

In Tuesday's matches, The Washington Post reported:

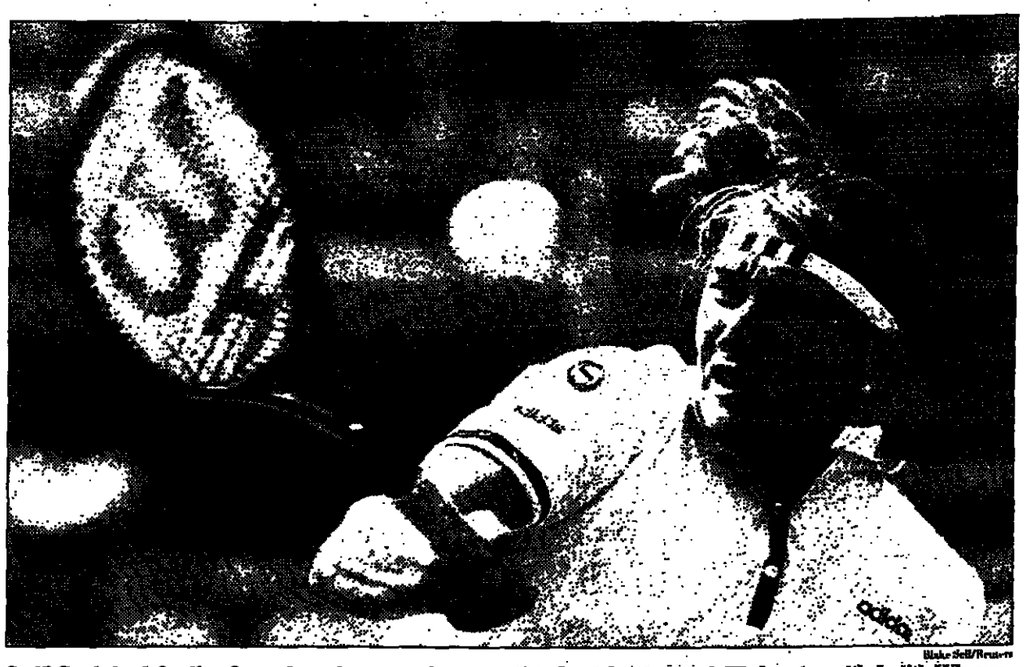
Mark Philippoussis gets angry when anyone suggests that his monster serve is his entire game. "When the ball comes back," the 19-year-old Australian said, "I'll show you what else I can do."

On Tuesday, Philippoussis served another set of sizzling aces — 17 in all — but discovered that he can't do much else when faced with a player who has a serve and a million other skills. That lesson was given by Pete Sampras, who turned a match that was expected to be the tennis equivalent of "Rocky IV" into a clinic for Philippoussis.

Facing only one break point and never looking flustered, Sampras eased to a 6-3, 6-3, 6-4 victory to advance to the quarterfinals, where he will face unseeded Alex Corretja of Spain.

The No. 2 seed, Monica Seles, preceded Sampras on the court and gave a few lessons of her own. Facing Amanda Coetzer of South Africa in a quarterfinal, Seles pounded the ball, losing only five points in the first set and winning the match, 6-0, 6-3, in 48 minutes.

Stefan Edberg continued his storybook run through his final U.S Open, and final Grand Slam tournament, with a four-set victory in a marathon 3-hour 10-minute battle against Tim Henman of Britain.



Blake Sell/Reuters

Steffi Graf, the defending Open champion, returning a serve in a hard-fought match Wednesday with Judith Wiesner.

A Chechen Won Gold, but They Raised Russia's Flag

Washington Post Service

Vantage Point / LEE HOCKSTADER

MOSCOW — Buvaisa Saitiyev is a lean, rangy 21-year-old kid with a mop of dark hair brushed low on his forehead and somber, piercing eyes. He is disarmingly polite, obviously intelligent, often articulate and easily the best welterweight freestyle wrestler in the world.

Since he won a gold medal this summer at the Atlanta Olympics, Saitiyev has received more handshakes and phone calls and telegrams of congratulations than he can count. He handles these with grace and good humor, but he finds it all somewhat painful.

For while he won the gold medal for the Russian national team, Saitiyev is a Chechen. And, like most Chechens, he has watched with bitterness and rage for the last 20 months as Russia has laid waste to his homeland and killed thousands of his countrymen in an attempt to thwart Chechnya's bid for independence from Moscow.

"I wrestled for Russia, I was on Russia's national team, and it was the Russian anthem they played and the Russian flag they raised when I won. So for the world, it was the victory of a Russian athlete," he said in his quiet, measured voice. "But for me it was the victory of a Chechen athlete. And that's what it was for every Chechen, too."

Last week Saitiyev and Russia's other Olympic stars were flown to Moscow and toasted by big shots from the Kremlin, including Prime Minister Viktor Chernomyrdin. It was the kind of VIP treatment that might impress a young athlete. But when Saitiyev got back to the dingy dormitory room where he stays with Chechen wrestler friends when he visits Moscow, he slipped off his tie and jacket, straddled a chair and let loose a deep sigh.

"It was just the usual Russian drunken sort of thing," he said of the Moscow reception. In his voice was the same sort of bitter disdain that the invariably sober and deadly serious Chechen guerrillas have for the often inebriated Russian troops they have been fighting, on and off, for centuries.

For Saitiyev, as for most Chechens, the hard feelings about Russia's conduct of the war are not simply received opinion. They are deeply personal.

"A number of friends of mine have been killed," he said. "Many of them have been wounded. And they weren't fighters either. They were just caught in the cross fire, innocent victims. A lot of my relatives have also suffered."

Saitiyev grew up and began wrestling at age 11 in a town just outside Chechnya's eastern border. His parents still live there. He has more than 30 relatives who still live in Chechnya, many of them in towns and villages that have been pulverized during the war.

The violence that has been visited upon those towns has left Chechens so embittered that even an otherwise level-headed and supremely disciplined young man such as Saitiyev has toyed with the idea of joining the fight.

"I've thought about it often — why I'm not there," he said. "When I was home I met with people who are called fighters. But for me they're just normal guys. When I became Olympic champion, they thanked me from the bottom of their hearts. They said, 'Let everyone in the world know that not all Chechens are guerrilla fighters.' "

Wrestling is not nearly as popular in most parts of Russia as hockey and soccer and basketball. But in Chechnya and other parts of the Caucasus, Russia's deep south, wrestling is practically a religion. Nearly all the best Soviet and Russian wrestlers have been from the Caucasus. Saitiyev is the first Chechen to win Olympic gold, but he is part of that regional tradition.

The Olympic medal was the latest of a string of titles Saitiyev has won. In fact, he has won virtually every tournament he has entered for the last couple of years.

His prowess is impressive considering that Saitiyev is smaller and less muscular than many of the wrestlers he beats. In person he seems almost skinny, although he has very big hands. His coaches and friends say his strength is deceptive because it is internal, the result of great determination and discipline. In this sense he is like the Chechen fighters, who have beaten their better-armed and more powerful Russian enemies by drawing on the very same qualities.

"I've never seen him lose," said Valid Agayev, a Chechen and former wrestler who is Saitiyev's friend. "He's got real inner power, a lot of it. He never has a glass of champagne, he never smokes, he has a strict sleeping regimen. He's like a well-oiled machine."

For winning gold in Atlanta, Saitiyev won $55,000 and a larger apartment from the government in the Siberian city of Krasnoyarsk, where he often trains, plus a good deal of money from private sponsors. He has given some of the cash to family and friends but is closed-lipped about the rest. "I know how to spend money," he said. "It's not going to be wasted."

The money is an official expression of the Russian state's gratitude. That expression is harder to find on the streets of Moscow and other cities, where Chechens frequently are hassled by the police and scorned by Russians.

Saitiyev, like most Chechens in Moscow, said he is used to hassles. "I travel a lot, so I've got heaps of documents."

"At least I've never been taken to a police station. If the cops think I look suspicious, I just give them 50,000 or 100,000 rubles" ($9.35 or $18.70), and they lay off. When they see you're a Chechen, they're glad, because they assume you'll fork your money over to avoid being taken to a militia station, where they might beat you up."

His Russian teammates are a different matter. "Of course we sometimes talk about the war," he said. "Usually we agree. Any person who understands things more or less has to sympathize with the Chechen side. A sensible person sees quite clearly the war is unfair."

Itar-Tass

Buvaisa Saitiyev at the Olympics.

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SCOREBOARD

BASEBALL

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AMERICAN LEAGUE

EAST DIVISION

	W	L	Pct.	GB
New York	77	61	.558	—
Baltimore	73	65	.529	4
Boston	71	68	.511	6½
Toronto	63	76	.453	14½
Detroit	58	80	.420	18½

CENTRAL DIVISION

	W	L	Pct.	GB
Cleveland	81	57	.587	—
Chicago	75	65	.536	7
Minnesota	69	70	.496	12½
Milwaukee	68	72	.486	14
Kansas City	65	75	.464	17

WEST DIVISION

	W	L	Pct.	GB
Texas	78	60	.565	—
Seattle	72	66	.522	6
Oakland	67	74	.475	12½
California	64	75	.460	14½

NATIONAL LEAGUE

EAST DIVISION

	W	L	Pct.	GB
Atlanta	84	54	.609	—
Montreal	75	62	.547	8½
Florida	67	72	.482	17½
New York	61	78	.439	23½
Philadelphia	56	83	.403	28½

CENTRAL DIVISION

	W	L	Pct.	GB
St. Louis	74	65	.532	—
Houston	74	66	.529	½
Chicago	69	68	.504	4
Cincinnati	69	69	.500	4½
Pittsburgh	57	80	.416	16

WEST DIVISION

	W	L	Pct.	GB
Los Angeles	76	62	.551	—
San Diego	77	63	.550	—
Colorado	71	68	.511	5½
San Francisco	58	78	.426	17

TUESDAY'S LINE SCORES

AMERICAN LEAGUE

Kansas City 000 011 030—5 12 0
Toronto 200 000 000—2 7 0
Appier and Mackanin; Hentgen, Quantrill (9), O'Brien. W—Appier, 12-10. L—Hentgen, 17-8. HR—Kansas City, Nunnally (4).

Cleveland 001 000 010—2 10 2
Milwaukee 100 122 02x—6 12 0
Hershiser, Tavarez (5) and S. Alomar; Karl and Matheny. W—Karl, 11-7. L—Hershiser, 14-8. HRs— Milwaukee, Matheny (7).

Cleveland, S.Alomar (10).

Detroit 100 020 100—4 9 0
Chicago 100 104 00x—6 12 0
Olivares, J. Cummings (6), Aussanos Bere, Darwin (4), Bertotti (6), Sirotka (7), R. Hernandez (9), Borders. W— Bertotti, 2-0. L— Olivares, 7-10. Sv— R. Hernandez (35). HRs— Chi., Ventura (31). Det., Nevin (2).

Minnesota 002 030 020—7 12 0
Texas 412 001 01x—9 9 1
F.Rodriguez, Parra (4), Stevens (8) and G. Myers; B.Wells, Ke.Gross (6), Stanton (7), Russell (8), Henneman (9) and I.Rodriguez. W—B. Wells, 14-9. L—F. Rodriguez, 13-11. Sv— Henneman (27). HRs—Texas, Tettleton (19). Minn., Cordova (14), Stahoviak (11).

Boston 000 102 105—9 13 0
Seattle 500 030 30x—11 11 2
Gordon, Gunderson (5), Mahomes (8) and Haselman; Torres, McCarthy (6), B. Wells (8), T.Davis (9), M. Jackson (9), Charlton (9) and Widger. W— Torres, 1-1. L— Gordon, 10-7. Sv— Charlton (15). HRs— Boston, Jefferson (18). Seattle, Griffey Jr (42), Whiten (7), D.Hollins (14).

Baltimore 101 000 000—2 7 0
California 210 160 00x—10 17 0
Coppinger, Haynes (5), Corbin (5), Holles, Parent (7); P.Harris, McElroy (8), Grimsley (9) and Greene. W— Harris, 1-0. L— Coppinger, 8-6. HRs— California, Edmonds (26). Baltimore, Bv. Anderson (43).

New York 002 002 400—8 12 2
Oakland 100 323 10x—10 13 0
Gooden, Bones (5), Pavlas (6), Boehringer (7) and Girardi; Wengert, Corsi (6), Mohler (7), Acre (7), John (8) and Steinbach. W—Acre, 1-2. L—Boehringer, 1-3. Sv—Johns (1). HR—Oakland, Brosius (22). New York, O'Neill (16), T. Martinez (23).

NATIONAL LEAGUE

San Diego 000 010 100—2 5 0
Philadelphia 211 000 12x—6 13 1
Hamilton, TLWornell (7), Hoffman (8) and B. Johnson; Fleherty (2), Mimbs, Borland (6), K. Ryan (8) and Santiago. W—Mimbs, 2-7. L—Hamilton, 13-8. Sv—K. Ryan (7). HR—Philadelphia, Jefferies (6).

Atlanta 104 000 000—1 7 0
Cincinnati 102 101 00x—5 9 0
Bielecki, Larsen (6), Schutz (6), Woodall (8) and J. Lopez; Burba, Shaw (7) and Taubensee. W—Burba, 9-13. L—Bielecki, 4-3. Sv—Shaw (4). HR—Atlanta, Grissom (21), Cincinnati, Larkin (26).

San Francisco 000 007 010—2 9 1
Montreal 101 120 22x—9 14 0
Gardner, Hook (5), Burton (7), Scott (7), DeLucia (8), R.Wilkins, Mirabelli (8); P.J.Martinez, D. Veres (8), D. Fletcher. W—P.J.Martinez, 12-9. L— Gardner, 10-6. HRs— Montreal, Santangelo (7), Segui 2 (8).

Chicago 200 023 400—11 9 0
Florida 200 001 000—3 7 3
Navarro, T. Adams (6), Bullinger (8), Servais, Houston (8); A.Leiter, Y. Perez (5), Miller (6), Batista (6), Hammond (7), F.Heredia (8), C. Johnson, Zaun (8). W— Navarro W, 14-9. L— A. Leiter, 14-12. HRs— Florida, Sheffield (29). Chi., Sandberg (22).

Los Angeles 000 102 013—7 12 0
New York 002 000 102—5 11 2
R.Martinez, Dreifort (7), Radinsky (7), Guthrie (8), Osuna (9) and Piazza; P.Wilson, Allicid (6), D. Henry (8) and Hundley. W— Radinsky, 3-1. L— D. Henry, 2-6. HRs— Los Angeles, Mondesi (22). N.Y., Gilkey (29).

Houston 100 100 007—3 6 0
St. Louis 001 201 44x—12 15 1
Reynolds, Small (7), Hoff (8) and Eusebio; Stottlemyre, Bailey (9) and Pagnozzi, DiSarcina (9). W—Stottlemyre, 12-10. L— Reynolds, 14-8. HR— Gaetti (16).

AMERICAN LEAGUE LEADERS

	G	AB	R	H	Avg.
ARodriguez Sea	123	511	128	192	.376
FThomas ChW	120	445	93	156	.351
RAlomar Bal	131	511	116	175	.342
Molitor Min	139	572	90	195	.341
Knoblauch Min	132	503	121	170	.338
Greer Tex	130	510	92	169	.331
EMartinez Sea	117	421	101	139	.330
JGonzalez Tex	111	444	80	146	.329
Ortiz Min	136	477	86	155	.325
McGwire Oak	110	361	91	116	.321

RUNS—A. Rodriguez, Seattle, 128; Knoblauch, Minnesota, 121; R. Alomar, Baltimore, 116; Lofton, Cleveland, 109; Belle, Cleveland, 109; Griffey Jr, Seattle, 109; Phillips, Chicago, 107.

RBI—Belle, Cleveland, 131; J. Gonzalez, Texas, 124; Palmeiro, Seattle, 122; M. Vaughn, Boston, 121; R. Palmeiro, Baltimore, 120; Griffey Jr, Sea., 118; ARodriguez, Sea., 116.

HITS—Molitor, Minnesota, 195; A. Rodriguez, Seattle, 192; Lofton, Cleveland, 184; R. Alomar, Baltimore, 175; I. Rodriguez, Texas, 172; M. Vaughn, Boston, 171; Knoblauch, Minnesota, 170.

DOUBLES—A. Rodriguez, Seattle, 49; E. Martinez, Seattle, 48; I. Rodriguez, Texas, 45; Cordova, Minnesota, 40; MRamirez, Cleveland, 40; Giambi, Oakland, 38; Greer, Texas, 38.

TRIPLES—Knoblauch, Minnesota, 11; Vina, Milwaukee, 8; Meares, Minnesota, 7; JeValentin, Milwaukee, 7; Offerman, Kansas City, 7; D. aMartinez, Chicago, 7; Gallego, Chicago, 7; Carter, Toronto, 7.

HOME RUNS—McGwire, Oakland, 46; Belle, Cleveland, 44; B. yAnderson, Baltimore, 43; Griffey Jr, Seattle, 42; JGonzalez, Texas, 41; M. Vaughn, Boston, 38; Butner, Seattle 38.

STOLEN BASES—Lofton, Cleveland, 61; T. Goodwin, Kansas City, 61; Nixon, Toronto, 51; Knoblauch, Minnesota, 38; Vizquel, Cleveland, 31; Durham, Chicago, 26; Listach, Milwaukee, 25; McLemore, Texas, 25.

PITCHING (16 Decisions)— Nagy, Cleveland, 14-4, .778, 3.49; Pettitte, New York, 19-7, .731, 4.22; Pavlik, Texas, 15-7, .682, 4.70; Alvarez, Chicago, 15-7, .682, 3.84; Hentgen, Toronto, 17-8, .680, 3.41; Mussina, Baltimore, 16-9, .667, 4.80; BWells, Seattle, 11-6, .647, 5.09; D. Oliver, Texas, 11-6, .647, 4.94; Gooden, New York, 11-6, .647, 4.68.

STRIKEOUTS—Clemens, Boston, 207; Finley, California, 183; Appier, Kansas City, 181; Mussina, Baltimore, 171; AFernandez, Chicago, 168; Alvarez, Chicago, 168; Guzman, Toronto, 165.

SAVES—Wetteland, New York, 38; R. Hernandez, Chicago, 35; Percival, California, 33; Mesa, Cleveland, 31; Fetters, Milwaukee, 27; Henneman, Texas, 27; RMyers, Baltimore, 26.

NATIONAL LEAGUE LEADERS

	G	AB	R	H	Avg.
Piazza LA	124	465	74	161	.346
Grace ChC	120	469	77	158	.337
Burks Col	134	541	126	180	.333
EYoung Col	120	498	100	162	.325
LJohnson NYM	137	583	98	188	.322
Sheffield Fla	138	465	104	149	.320
Bichette Col	137	549	104	175	.319
Gilkey NYM	135	510	100	162	.318
Bagwell Hou	140	492	97	156	.317
Caminiti SD	124	460	91	145	.315

RUNS—Burks, Colorado, 134; Finley, San Diego, 112; Bonds, San Francisco, 106; Biggio, Houston, 105; Sheffield, Florida, 104; Bichette, Colorado, 104; CpJones, Atlanta, 102; Galarraga, Colorado, 102; R. Henderson, San Diego, 102.

RBI—Galarraga, Colorado, 127; Bichette, Colorado, 123; Burks, Colorado, 112; Sheffield, Florida, 110; Bonds, San Francisco, 110; Bagwell, Houston, 108; Caminiti, San Diego, 108.

HITS—L. Johnson, New York, 188; Burks, Colorado, 180; Grissom, Atlanta, 178; Bichette, Colorado, 175; Grudzielanek, Montreal, 172; Castilla, Colorado, 169; Finley, San Diego, 168.

DOUBLES—Bagwell, Houston, 42; Finley, San Diego, 42; Gilkey, New York, 38; Burks, Colorado, 38; D. Bell, Houston, 37; Lansing, Montreal, 36; H. Rodriguez, Montreal, 36; Berry, Houston, 36.

TRIPLES—L. Johnson, New York, 18; Grissom, Atlanta, 10; Howard, Cincinnati, 9; Finley, San Diego, 9; Burks, Colorado, 8; K. Abbott, Florida, 7; De. Shields, L.A., 7.

HOME RUNS—Sosa, Chicago, 40; Galarraga, Colorado, 40; Hundley, New York, 39; Sheffield, Florida, 39; Castilla, Colorado, 37; Burks, Colorado, 36; Bonds, San Francisco, 36.

STOLEN BASES—E. Young, Colorado, 49; L. Johnson, New York, 48; D. aShields, Los Angeles, 43; Larkin, Cincinnati, 36; R. Henderson, San Diego, 35; McRae, Chicago, 34; Grudzielanek, Montreal, 31; B. LHunter, Houston, 31.

PITCHING (16 Decisions)— Smoltz, Atlanta, 20-7, .741, 2.85; Reynolds, Houston, 14-8, .667, 3.57; Neagle, Atlanta, 14-7, .667, 3.11; R. Martinez, Los Angeles, 11-6, .647, 3.71; Fassero, Montreal, 14-8, .636, 3.16; L. Valdes, Los Angeles, 12-7, .632, 3.51; Valenzuela, San Diego, 12-7, .632, 3.53.

STRIKEOUTS—Smoltz, Atlanta, 227; Nomo, Los Angeles, 201; P. JMartinez, Montreal, 194; Fassero, Montreal, 194; Kile, Houston, 179; Reynolds, Houston, 178; A. Leiter, Florida, 172.

SAVES—TdWornell, Los Angeles, 38; J. Brantley, Cincinnati, 37; Wohlers, Atlanta, 34; Hoffman, San Diego, 33; Beck, San Francisco, 31; Nen, Florida, 30; Bottalico, Philadelphia, 29.

JAPANESE LEAGUES

CENTRAL LEAGUE

	W	L	T	Pct	GB
Hiroshima	63	48	0	.568	—
Yomiuri	64	49	0	.566	—
Chunichi	60	50	0	.545	2½
Yakult	52	58	0	.477	10
Yokohama	48	64	0	.429	15½
Hanshin	46	65	0	.414	17

WEDNESDAY'S RESULTS

Hiroshima 7, Hanshin 3
Yokohama 8, Yomiuri 2
Chunichi 7, Yakult 3

PACIFIC LEAGUE

	W	L	T	Pct	GB
Orix	62	44	5	.585	—
Nippon Ham	61	48	3	.560	2½
Kintetsu	50	54	1	.481	11
Lotte	50	56	2	.472	12
Seibu	50	59	4	.459	13½
Daiei	50	62	1	.446	15

WEDNESDAY'S RESULT

Orix 12, Kintetsu 7

HOCKEY

WORLD CUP

FIRST ROUND

TUESDAY'S RESULT

United States	3	3	3—9
Slovakia	1	1	1—3

First Period: Slo- Bondra (Pattiy, Svehla) (pp), 2. U.S.- Tkachuk (Hull, Housley) (pp), 3. U.S.- Weight (LeClair, Young) (pp), 4. U.S.- LeClair (Amonte, Leetch). Second Period: U.S.- Tkachuk (LeClair), 6. U.S.- Schneider (Desjardins, McEachern), 7. Slo- Lievsky (Pivovarchi), 8. U.S.- Tkachuk (Modano). Third Period: U.S.- Otto (K.Hatcher), 10, U.S.- Modano (Gretzin, Tkachuk), 11, U.S.- Modano (Leetch), 12, Slo- Rybovic (Pivovarchi, Lievsky). Shots on goal: U.S.- 14-12-13—39. Slo- 7-12-12—31. Power-play Opportunities: U.S.- 2 of 4; Slo- 1 of 7. Goalies: U.S.- Hebert (31, 28). Slo- Mego (39, 30).

STANDINGS: American Division— U.S. 6; Canada 4; Russia 2; Slovakia 0. European Division— Sweden 6; Finland 4; Germany 2; Czech Republic 0.

SOCCER

DUTCH FIRST DIVISION

Fortuna Sittard 0, Feyenoord Rotterdam 2
Heerenveen 0, NAC Breda 1
Utrecht 0, Groningen 0

STANDINGS: Feyenoord Rotterdam 10; PSV Eindhoven 9; Vitesse Arnhem 7, NAC Breda 7; Ajax Amsterdam 6, Heerenveen 6; Twente Enschede 5; RKC Waalwijk 4, Grasshoop Doetinchem 4; Fortuna Sittard 4; Roda JC Kerkrade 3, Utrecht 3, Groningen 2; Sparta Rotterdam 2, NEC Nijmegen 2; Willem II Tilburg 1; AZ Alkmaar 1, Volendam 1.

FRENCH FIRST DIVISION

Monaco 5, Lens 1
Montpellier 0, Paris-SG 3
Bordeaux 3, Bastia 1
Strasbourg 2, Auxerre 1
Caen 0, Metz 0
Lille 3, Nice 2
Guingamp 0, Cannes 1
Marseille 3, Rennes 1
Nancy 0, Le Havre 1

STANDINGS: Paris SG 13; Lens 12; Monaco 10, Lille 10, Cannes 10; Bordeaux 9; Marseille 8, Lyon 8, Metz 8, Auxerre 8, Bastia 8; Guingamp 7; Strasb. 6; Le Havre 5; Rennes 4; Caen 3; Nantes 2, Montp. 2; Nice 1, Nancy 1.

WORLD CUP QUALIFYING

Spain 6, Faroe Islands 2

ITALIAN CUP

SECOND ROUND

Nocerina 0, Perugia 0

TIGER CUP

FIRST ROUND

Malaysia 7, Philippines 0
Singapore 3, Brunei 0

GOLF

RYDER CUP POINTS

Leading U.S. standings through Sep. 1 for the 1997 Ryder Cup to be played Sept. 26-28, 1997 at Valderrama in Sotogrande, Spain: 1, Mark Brooks 519,750; 2, Tom Lehman 504,500; 3, Phil Mickelson 480,000; 4, Scott Hoch 400,000; 5, Davis Love III 397,500; 6, Mark O'Meara 350,000; 7, Steve Stricker 302,500; 8, Kenny Perry 276,250; 9, Jeff Maggert 274,125; 10, Tommy Tolles 265,000; 11, Justin Leonard 263,500; 12, Steve Jones 252,500; 13, Fred Couples 225,000; 14, Corey Pavin 209,167; 15, David Duval 190,000.

BASKETBALL

INTERCONTINENTAL CUP

FINALS, FIRST LEG

Olimpia 89, Panathinaikos 83

TENNIS

U.S. OPEN

WEDNESDAY'S RESULTS

WOMEN'S SINGLES, QUARTERFINALS

Steffi Graf (1), Germany, def. Judith Wiesner, Austria, 7-5, 6-3.

TUESDAY'S RESULTS

MEN'S SINGLES, FOURTH ROUND

Alex Corretja, Spain, def. Guy Forget, France, 6-4, 6-3, 7-6 (7-5); Stefan Edberg, Sweden, def. Tim Henman, Britain, 6-7 (2-7), 7-6 (7-2), 6-4, 6-4; Pete Sampras (1), U.S., def. Mark Philippoussis, Australia, 6-3, 6-3, 6-4.

WOMEN'S SINGLES, QUARTERFINALS

Conchita Martinez (4), Spain, def. Linda Wild, U.S., 7-6 (8-6), 6-0; Monica Seles (2), U.S., def. Amanda Coetzer, S. Africa, 6-0, 6-3.

MEN'S DOUBLES, QUARTERFINALS

Jacco Eltingh and Paul Haarhuis, Netherlands (8), def. Trevor Kronemann, U.S., and David Macpherson, Australia (15), 7-5, 6-7 (5-7), 6-2; Guy Forget, France, and Jakob Hlasek, Switzerland (4), def. Luis Lobo, Argentina, and Javier Sanchez (12), Spain, 6-7 (4-7), 7-6 (8-6), 7-6 (7-2); Todd Woodbridge and Mark Woodforde, Australia (1), def. Sebastien Lareau, Canada, and Alex O'Brien, U.S. (7), 6-3, 7-5.

WOMEN'S DOUBLES, QUARTERFINALS

Martina Hingis, Switzerland, and Helena Sukova, Czech Republic (4), def. Patricia Hy-Boulais, Canada, and Ros Nideffer, U.S., 6-4, 6-4; Lori McNeil, U.S., and Gabriela Sabatini, Argentina (6), def. Nicole Arendt, U.S., and Manon Bollegraf, Netherlands (5), 4-6, 6-3, 7-5; Jana Novotna, Czech Republic, and Arantxa Sanchez Vicario, Spain (1), def. Anna Kournikova and Elena Likhovtseva, Russia, 7-6, 6-2.

MIXED DOUBLES, QUARTERFINALS

Martina Hingis, Switzerland, and Christo van Rensburg, South Africa, def. Rennae Stubbs and Joshua Eagle, Australia (7), 6-4, 3-6, 6-3.

TRANSITIONS

BASEBALL

AMERICAN LEAGUE

AL—Suspended New York OF Paul O'Neill and RHP Jeff Nelson for 2 games and fined them $1,000 and suspended Seattle C John Marzano for 2 games for their actions in game Aug. 28. Fined New York OF Darryl Strawberry and Seattle RHP Bobby Ayala $500.

BOSTON—Recalled SS Nomar Garciaparra from Pawtucket, IL. Designated 1B Greg Pirkl for assignment. Sent LHP Eric Gunderson outright to Sarasota, FSL.

CALIFORNIA—Traded C Don Slaught to Chicago for player to be named. Recalled RHP Mark Eichhorn, LHP Mark Holzemer, LHP Jim Abbott, RHP Jeff Schmidt and OF Darrin Erstad from Vancouver, PCL. Waived RHP Rich Monteleone.

CHICAGO—Activated RHP Jason Bere from 60-day disabled list. Recalled RHP Scott Ruffcorn and INF Chris Snopek from Nashville AA. Bought contract of 1B Mike Robertson from Nashville. Designated RHP Richard Sauveur, INF Doug Brady for assignment.

DETROIT—Called up RHP Brian Williams-RHP C.J. Nitkowski, OF Shannon Penn, 2B Phil Hiatt, C Raul Casanova and INF Fausto Cruz from Toledo, IL. Recalled LHP C.J. Nitkowski, C Raul Casanova, INF Fausto Cruz and RHP Brian Williams from Toledo-IL. Bought contracts of OF Shannon Penn and OF Phil Hyatt from Toledo.

KANSAS CITY—Activated INF Bip Roberts from 15-day disabled list.

MILWAUKEE—Traded 3B Kevin Seitzer to Cleveland for OF Jeromy Burnitz. Activated OF Turner Ward from 15-day disabled list. Recalled OF Brian Banks, C Mike Matheny and IF Tim Unroe from New Orleans, AA.

IHT Puts Baseball Stats on the Internet

All the box scores and the 1996 schedule on the IHT web site:
http://www.iht.com/IHT/SPORTS/bbl.html

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صكذا من الأصل

SPORTS

Baseball Repackaged As a Condensed Soap

Season Used to Be a Long Novel – Wild-Card Races Changed That

By Thomas Boswell
Washington Post Service

FOR MORE than a century, baseball spread its drama, heroism and lasting memories over the entire six months of its season. That format had some of the virtues of a traditional novel: lots of characters, details and plot twists, depth. But, admit it, some of those dramas went on for 1,000 pages. Often, by Labor Day, that regular season "book" was a full-blown bore. Races were all locked up. There wasn't much worth watching until October.

These days, in our era of wild cards, the real baseball season — that is, the race for the playoffs — doesn't even start until the beginning of September. If you haven't looked at the standings all season, what have you missed? Not much.

At least 13 teams have a reasonable chance to dream about going to the World Series. All they have to do is get hot and get lucky. At least four other clubs can still fantasize about making a miracle sprint to the wire.

If you haven't been paying close attention to those last-second waiver-wire transactions in the National League Central, you're forgiven. That approach is old-fashioned.

Our new mantra is: Too much knowledge is a dangerous thing. This is the age of the condensed and packaged infomercial. If Dostoevski were alive today, Dimitri Karamazov would be an only child.

Baseball has learned. Nobody can pay attention to anything for six months anymore.

Perhaps subconsciously, baseball has re-evaluated the attention span of the culture in which it finds itself. Nobody can pay attention to anything for six months anymore. So, baseball has accommodated itself to what the NFL, NBA and NCAA basketball tournament learned long ago.

The regular season in every sport is for the hard core. For them, big-time sports is a kind of supplemental reality. Had enough of your own life for one day? Plug into the hometown franchise for a couple of hours.

However, if a sport wants to grow — by reaching a mainstream audience — then it needs to construct a six- to eight-week melodrama with each installment adding to the excitement. In just its second wild-card season, baseball seems to have mastered the gimmick. Every team above .500 now has its own scenario for How to Win It All. No matter how low your spirits one day, your mood can change because of a single game or piece of news.

As recently as Sunday, the Yankees were falling apart. A 12-game lead had shrunk to four. Then David Cone pitched seven no-hit innings in his first game back since having an aneurysm removed from his right shoulder four months ago. That, as the New York tabloids will remind you, was a "career-threatening" and even "life-threatening" aneurysm.

After his inspiring victory, Cone ruminated on mortality and humility. "I appreciate them taking me out" of the game, Cone said. He was lifted after 85 pitches despite his potential no-hitter. "There's only so much tread left on the tire. Getting to the World Series is more important."

In Atlanta, now that lefty Denny Neagle is on board, the natives want to know if the Braves have the greatest pitching staff in history? In Baltimore, where Eddie Murray, Todd Zeile and Pete Incaviglia have been added, the locals want to know if the Orioles have the greatest collection of power hitters — one through nine — on record?

Yes, the hype machine is getting cranked up. That October grail looms. It's not just a job; it's an adventure. Who dreamed baseball would get the knack?

Now that baseball has the attention of the general fan, as well as the fanatic, here's one suggestion for making sense of baseball in September and October.

Stop looking at the hitters, even though it's the Year of the Slugger. In the autumn, focus on the pitchers. Look for the club whose top three starters get on a roll together. That's what it takes to have an honest shot at the World Series. The less pitching there is to go around, the more important to have your share.

Last year's World Series was a perfect example of the way dominant starting pitching grinds down even the greatest hitting.

Statistically, Cleveland looked stronger than Atlanta. Yet the Braves held the Indians to a .179 team batting average and 19 runs (3.6 a game). That's no aberration. Stunningly low team batting averages suddenly arrive in the Series, playoffs and big head-to-head September series.

In June, July and August, it helps to have five starting pitchers. By September, thanks to extra off days, many teams can cut back to four. However, by the final decisive week of the regular season, plus the postseason, most teams will use their three best horses in almost every race. That's why, in this wild-card era, we're going to see plenty of surprises. Who doesn't have three pitchers who could find their form?

So what if the Braves have five quality starters? What good are Neagle and Avery, if you're only going to pitch Maddux, Smoltz and Glavine? The Yanks have a classic rotation with Cone, Andy Pettitte, Doc Gooden, Kenny Rogers and Jimmy Key. But the part of the season where that depth helped them most is past.

From here on, it's better to have proven quality — like the Indians with Charles Nagy, Jack McDowell and Orel Hershiser — than quantity, like the Rangers with their overachieving Darren Oliver and Kevin Grosses.

Of course, if you don't have much pitching, you had better have luck. Among contenders, the worst starting-staff earned-run average belongs to Baltimore — over 5.50. However, in their final 24 games, the Orioles have 16 games against the three lousy American League teams with the worst records.

In September, nothing beats three aces — unless the schedule maker deals you seven Tigers, seven Blue Jays and a couple of bedraggled Angels.

Peter Newcomb/Agence France-Presse

The Cardinals' catcher, Tim Pagnozzi, taking a rest after dropping a foul ball in the fourth inning against Houston.

'Dogfight' Ahead for St. Louis and L.A.

The Associated Press

The St. Louis Cardinals have regained the lead in the National League Central and the Los Angeles Dodgers have moved into a tie for first in the West.

"It's going to be a dogfight," Houston's Craig Biggio said after St. Louis beat the Astros, 12-3, Tuesday. "You try to forget this game now and come back tomorrow and get out of town with one game."

At Busch Stadium, Ron Gant made a quick recovery from a torn rotator cuff, doubling twice and scoring three times as the Cardinals won their fifth straight and improved to 10-2 against Houston this year.

"The swing felt good, as you can see," said Gant, who hurt his left shoulder on a head-first slide Friday night. "It didn't bother me at all on those doubles."

Dodgers 7, Mets 6 Los Angeles beat New York as San Diego lost at Philadelphia.

"The scoreboard was right in front of us and we knew San Diego lost," Bill Russell, the Dodgers' manager said. "It's probably going to come down to the last 10 games of the season. Seven of them are against San Diego. That's why every game is going to be important."

Los Angeles, which has won 10 of 12, took a 7-3 lead in the ninth at Shea Stadium on Raul Mondesi's 22d homer. Bernard Gilkey hit a three-run homer in the bottom half off Antonio Osuna before the Dodgers held on.

Phillies 8, Padres 2 Michael Mimbs (2-7) came off the disabled list to win his second game this season and Scott Rolen homered and drove in four runs at Veterans Stadium in Philadelphia.

Mimbs, activated earlier in the day after being on the disabled list since Aug. 11, with a sore left shoulder, gave up one hit in five innings. Ken Ryan pitched two innings for his seventh save.

Cubs 11, Marlins 3 In Miami, Ryne Sandberg homered and drove in three runs, and Jamie Navarro (14-9) won his seventh straight decision, allowing three runs and eight hits in five innings.

Gary Sheffield hit his 39th homer for Florida, leaving him one behind the NL leaders, Sammy Sosa and Andres Galarraga.

Expos 9, Giants 2 David Segui hit a pair of two-run homers at Olympic Stadium and Pedro Martinez (12-9) struck out 11 as Montreal won its fourth straight.

Segui's two-run homer off Mark Gardner put Montreal ahead, 5-0, in the fifth and his two-run shot off Rich DeLucia made it 9-2 in the eighth.

Reds 5, Braves 1 Marquis Grissom opened the game with a homer off Dave Burba for Atlanta's only hit. The visiting Braves have lost four straight for the first time this season.

Mike Bielecki (4-3), pitching because Greg Maddux has a tender right hamstring, gave up four runs and five hits in five innings.

NL Roundup

Bad Night on West Coast for Visiting Easterners

The Associated Press

New York, Baltimore and Boston, the top three teams in the American League East, all missed a chance to pick up some ground Tuesday night in three West Coast games that averaged 24 hits per contest and produced a total of 51 runs.

A's 10, Yankees 9 One day after being shut out over seven innings by David Cone, Oakland collected 13 hits off Dwight Gooden and three relievers.

The Yankees rallied for four runs in the seventh inning, three coming on Tino Martinez's 23d homer to tie it, 9-9. But in the bottom of the inning, Tony Batista delivered a run-scoring single off Brian Boehringer.

Terry Steinbach drove in three runs and Scott Brosius homered for Oakland. Paul O'Neill added a two-run shot for the Yankees.

Angels 10, Orioles 2 In Anaheim, California, Tim Salmon tied his season high with four hits and drove in three runs, and Pep Harris earned his first major-league victory.

Chili Davis's two-run double capped a six-run fifth inning for the Angels, who scored all 10 runs with two outs.

Mariners 11, Red Sox 9 In Seattle, Ken Griffey and Dave Hollins homered in a five-run first inning, and Mark Whiten had five runs batted in as the Mariners remained six games behind Texas, the division leader in the AL West.

The Red Sox trailed 11-4 entering the ninth before scoring five times off four Seattle relievers.

Seattle's manager, Lou Piniella, wasn't pleased. "Some of these pitchers here — and they can look in the mirror — if they want to be on this staff next year I better see something the last three months of the season, because I will not carry the same staff next year," Piniella said.

Griffey hit his 42d homer — a three-run drive — and went 3-for-4. He also saved two runs with a diving catch on Mike Greenwell's liner in the seventh.

"I knew I hit the ball hard, I hit it too hard," said Greenwell, who went 3-for-5 with two runs batted in, a night after going 4-for-5 with nine RBIs in Boston's 9-8, 10-inning victory.

White Sox 6, Tigers 4 In Chicago, Robin Ventura hit a go-ahead three-run homer in the sixth as the White Sox won for the fifth time in six games. Ventura's 31st homer, a 448-foot blast off Omar Olivares gave the White Sox a 5-3 lead.

Rangers 9, Twins 7 In Arlington, Texas, Mickey Tettleton got a three-run double on a misplayed line drive in the first and later hit his first homer since Aug. 4. Bobby Witt lasted only five innings, allowing five runs but earned his seventh victory in eight decisions.

Scott Stahoviak hit a three-run homer and Marty Cordova had a two-run shot for the Twins.

Brewers 8, Indians 2 In Milwaukee, Mike Matheny celebrated his return to the majors with a home run, and Scott Karl (11-7) won for the first time since July 23. Matheny, recalled earlier in the day from Triple-A New Orleans, put Milwaukee ahead 2-1 in the fourth with a solo homer, his seventh, off Orel Hershiser (14-8).

Royals 5, Blue Jays 2 Jon Nunnally's three-run homer in the eighth gave visiting Kansas City its fourth straight victory in Toronto. Nunnally, who tied a career high with four RBIs, snapped a 2-2 tie with his fourth homer, a three-run shot off Pat Hentgen.

AL Roundup

Another Arrest Puts Nebraska On Defensive

By Malcolm Moran
New York Times Service

The college football season has barely started and already a Nebraska Cornhusker has been arrested. With a new university chancellor watching, the case of Terrell Farley case has created yet another opportunity for Tom Osborne, coach of the national champion, to establish a clear standard for behavior while faced with the loss of a key player. So far the signs are not good.

Farley, a gifted linebacker and essential part of Nebraska's dominant defensive unit, remains under suspension after his arrest last week on suspicion of drunken driving.

But despite the insistence of Coach Osborne that the suspension could last for the entire season, his description of Farley's status has already begun to follow the pattern that has embarrassed the university in the past. To this point, the standard appears no different than it was when Lawrence Phillips was eased back into the starting lineup for the most important part of last season after his assault on a former girlfriend.

As long as a Nebraska player possesses enough talent and gives the appearance that he is meeting the coach's requirement for reinstatement, the football program will continue to set the standard for the university. That standard remained vague Tuesday, when Osborne, speaking at his weekly news conference in Lincoln, repeated that the suspension of Farley could last anywhere from two games to the entire season, depending upon the player's response.

Already, with the opener against Michigan State coming Saturday, the coach's approach indicates an eagerness to get an important player in uniform.

"Some people may say, 'Well, if you take a harder line, it wouldn't happen,' but I don't know if that's the case," Osborne said. "We're certainly taking a hard line in a sense, but we're also going to try to make the best out of it so he can remain on the team. If he doesn't conform, if he doesn't come around . . . then we'll do without him."

Since taking office Feb. 1, Nebraska's new chancellor, James Moeser, has repeated that representing the university is a privilege and not a right. The report of a university task force on student behavior, including problems faced by athletes, had a strongly worded concern on the subject of alcohol abuse by all students.

Osborne spoke of a hard line, but that line too often appears invisible. "I just want to make sure we've gone through the procedure," the coach said Tuesday.

"We felt last year, in spite of the fact that many didn't agree with what we did, we felt we were very thorough and very sound in the way we did the thing with Lawrence Phillips. I don't think we necessarily turned Lawrence Phillips out of here a perfect human being, but I know he was more aware and addressed a lot of issues in his life he had never addressed before."

Soon after leaving Nebraska, Phillips was arrested on a charge of driving while intoxicated. In any case, the issue is not the worth of soul-saving, but who is most qualified to make those calls.

The decision should not be Osborne's to justify. When a player is arrested, his status should immediately be taken out of the hands of the coaching staff and placed somewhere higher in the administration. That way the coach would not be left open to conflict-of-interest charges.

DENNIS THE MENACE

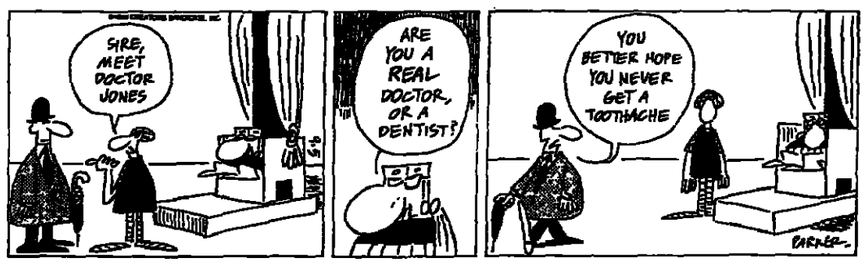
"HE HAS A GREAT MEMORY. MRS. WILSON SAYS HE CAN REMEMBER A LOT OF THINGS THAT NEVER EVEN HAPPENED."

PEANUTS

CALVIN AND HOBBES

GARFIELD

WIZARD of ID



JUMBLE

THAT SCRAMBLED WORD GAME
by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

NICCY

TOQUA

RIMMOE

ROBRAW

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

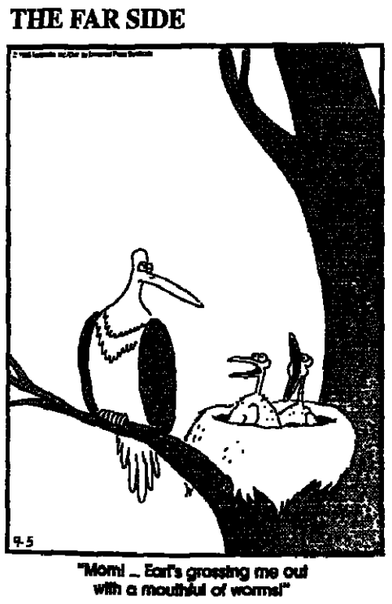
Print answer here: _____ _____

(Answers tomorrow)

Yesterday's Jumbles: Answer: WHOOP LEECH ENCAMP BETRAY
Where careful shoppers always find bargains – THE CHEAP HEAP

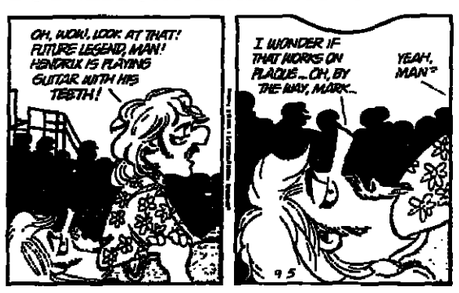
BEETLE BAILEY

THE FAR SIDE

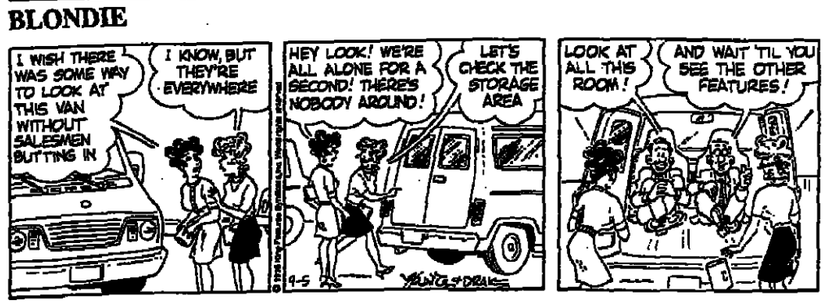


"Mom! ... Earl's grossing me out with a mouthful of worms!"

DOONESBURY FLASHBACKS



BLONDIE



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ART BUCHWALD

Corrupting Adults

WASHINGTON — There is much ado about children being exposed to violence and mayhem on television and in the movies.

But nothing is said about what the movies are doing to adults.

Buchwald

I realized this when I saw that the local theater was playing nothing but movies catering to kids. Aimed at 13-year-olds, the films featured man-made monsters, space-made monsters, cartoon-made monsters and high school students who really were monsters.

□

I said to the theater manager, "How can you show such frightening films?"

"What do you mean?" he asked.

"They're enough to make an adult rise up and kill. Those of us over 21 are very much influenced by what we see in the movies."

"I don't believe that any of my films would induce an adult to commit a crime. After all, most people believe that motion pictures are fantasy."

"That's not true. The Stanford-Citadel Survey indicates that people old enough to vote are ready to destroy either themselves or somebody else when they see 'Independence Day' or 'Phenomenon.' We don't think like young people, and we can go ga-ga when we see more than half the population eaten up by gooey creatures from outer space."

"The Stanford-Citadel Survey didn't take into consideration other things that adults are exposed to that would make them violent."

"What other things?"

"Rush Limbaugh, Pat Buchanan, Marge Schott, the owner of the Cincinnati Reds, and, of course, the Unabomber. Theater owners can't be responsible for everything a grown-up is exposed to."

"Would you settle for a rating system that would warn adults that they are about to see a kid's movie and could be affected by the violence and knife-stabbing?"

"I don't believe that you should censor films for adults because, if you do, kids won't take their parents to the cinema. Without kids, there go my popcorn sales."

□

The theater manager told me he can't help the fact that he shows idiot pictures because they are the blockbusters. "A month without a blockbuster is like Hurricane Bertha without wind."

"But how can adults be protected from cinema infantilism?"

"The best thing to do is have kids warn their parents what the film is all about and tell their mothers and fathers that they can walk out of the theater any time they want to. We feel that if we warn people at the beginning of the picture that a gork will eat the innards of a fleegle just before the space people blow up Wyoming, we've done our duty to the adult public."

The Super Cars of 007

Reuters

PARIS — The deadly, gadget-packed cars driven by James Bond will be displayed in a special exhibit at the Paris Car Show in October. The display will include trucks, motorcycles and even a tank with missile launchers that helped Bond elude his sinister enemies in 17 films.

The Edinburgh Festival at 50: A Midlife Crisis?

By Alan Riding
New York Times Service

EDINBURGH — Anyone attending the final days of this year's Edinburgh International Festival could not help noticing how established stage directors seemed to feel safer turning to the past, even when they wanted to say something new about the future. So have successful contemporary playwrights and composers become an endangered species?

This may seem an odd thing to ask in a city where the annual arts festival and above all the parallel Fringe festival have long been regarded as a cradle for writers, composers and choreographers. Yet this year both festivals were marked more by creative performances and interpretations than by acclaimed original works. Of new plays, only a couple can be expected to join the standard repertory.

All this has led a good many British critics to conclude that in its 50th year, the Edinburgh festival was suffering from a midlife crisis. The questioning tone was set in an inaugural lecture by George Steiner, the literary critic and philosopher, who suggested that the festival had begun "to outlive its own vision and necessity."

Part of the problem is evidently the sheer size of the festival. August in Edinburgh includes film, television and literary festivals as well as the official festival program and the Fringe.

The Fringe, which is open to any company that can afford to come here, provides much of the energy and fun, but it has now grown to embrace 14,000 performances of 1,300 productions, making it almost impossible to separate wheat from chaff.

This in turn makes it even more important for the official program to stand out. And when it stumbles, the gloom sets in. "I cannot remember drama being worse served, not in nearly 30 years of Edinburgh-going," Benedict Nightingale wrote in The Times of London.

Significantly, the Fringe came up with the festival's two most interesting new plays in the Traverse Theatre's productions of "Shining Souls" by Chris Hannan and "The Architect" by David Greig.

That said, British critics hardly speak with one voice, if only because theater critics see plays, music critics attend concerts, and dance critics review ballet and contemporary dance. And in each area, there were both disappointments and triumphs.

The last-minute cancellation of Robert Lepage's "Elsinore" was an early blow to the festival, but there were also other let-downs. In his fifth successive appearance in Edinburgh, Mark Morris failed to stir excitement with his dance production of Gluck's "Orfeo ed Euridice."

John McGrath's new play, "A Satire of the Four Estaites," based on David Lindsay's 16th-century allegory, "The Thrie Estaites," was universally panned, while James MacMillan's new opera, "Ines de Castro," was given a mixed reception.

On the other hand, the festival ended with a flourish that underlined its international identity: Chekhov's "Uncle Vanya," performed in Italian with English supertitles and directed by Peter Stein; Gluck's "Iphigenie auf Tauris," directed by Pina Bausch, and the Houston Grand Opera production of Virgil Thomson's "Four Saints in Three Acts," directed by Robert Wilson.

In bringing his "Uncle Vanya" to Edinburgh, Stein assumed the risks of presenting a play well known to British audiences. And predictably, his version, as languorous as a hot summer in Tuscany, prompted strong critical judgments, from Michael Coveney's "truly spell-binding" in The Observer to Robert Butler's "three and a half hours of boredom and lethargy" in The Independent on Sunday.

Stein did demonstrate how Chekhov's Russian characters can change nationalities effortlessly, because in this production the gestures, mannerisms and emotional outbursts laced with fatalism were as convincingly Italian as the language.

Jeff Mitchell/Reuters
With performers everywhere, the festival has become a jumble.

Meddalena Crippa as the flighty Yelena and Elisabetta Pozzi as the homely Sonya could have stepped from a Verdi opera. Roberto Herlitzka's Vanya looked older than the 47 years assigned him by Chekhov, but his breakdown at the end of the play poignantly illuminated the emptiness of his life.

With "Four Saints in Three Acts," Wilson also turned to the past to create a characteristically modern production. And while British critics tend to dwell on the lack of passion in Wilson's stunningly visual work, the American director won a warmer reception for this opera than he did for his adaptation of Virginia Woolf's "Orlando" earlier in the festival.

Not for the first time in Edinburgh, though, it was the Pina Bausch Tanztheater Wuppertal that brought magic to the closing moments of the festival with "Iphigenie auf Tauris." Bausch too turned to the past, not only to an 18th-century composer but also to a work she created in 1974 and is now rarely performed by her German-based company.

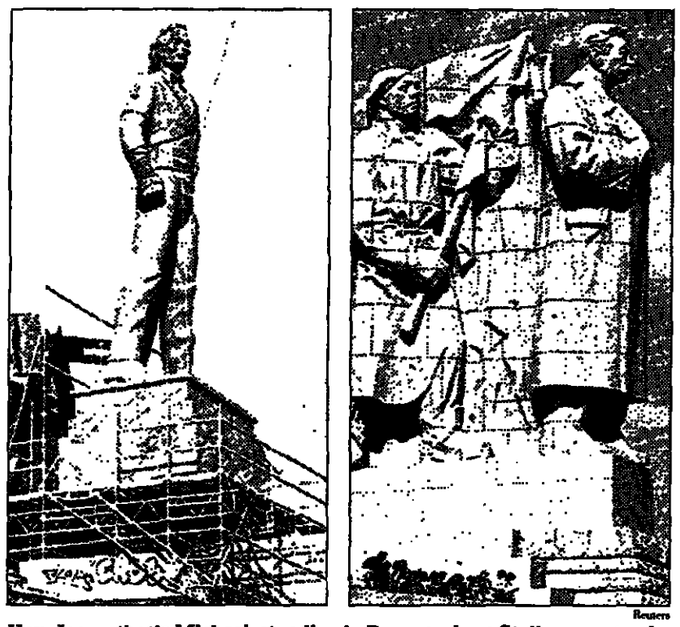
With the soloists in theater boxes on either side of the stage and the chorus in the pit with the orchestra, Bausch turned the opera into a full-scale ballet, with the dancers enacting the drama with almost literal perfection. Malou Airaudo, returning to a role she created 22 years ago, was a majestically tragic Iphigenie, while Dominic Mercy as Orestes and Bernd Marszan as Pylades were moving as they awaited their grim fate.

The beauty of this production was inevitably contrasted with Mark Morris's less exciting version of another Gluck opera. "For many, this will doubtless be remembered as this year's pinnacle of excellence and a summation of everything the festival was created to promote: music, song, dance, drama and the visual arts," Geoffrey West wrote in Scotland on Sunday.

For Bausch's legions of fans, this production was doubly interesting because it provided insight into how her work has developed over the last two decades. Much of her choreographic language here was still classical, albeit with some original gestures signaling the dramatic changes that lay ahead as she moved increasingly toward dance theater and her own creations.

Interestingly, the festival's visual arts program offered a very different opportunity to see an artist in the making, in this case through the National Gallery of Scotland's exhibition, "Velazquez in Seville," a rare look at the Spanish master's early works before he moved to Madrid to become a court painter in 1623 at the age of 24. With the gallery's own "Old Woman Cooking Eggs" as the centerpiece, the show has gathered more than a dozen of Velazquez's religious and tavern scenes.

This exhibition, which runs through Oct. 20, and the major Giacometti retrospective at the Scottish National Gallery of Modern Art until Sept. 22 have proved to be rewarding extras for visitors to the festival. They are not, of course, what the festival is about. Still, if Edinburgh did not cause a sensation with its 50th festival, it can try again next year. Theater companies are already signing up to be here.


Reuters
Hey, Joe — that's Michael, standing in Prague where Stalin once stood.

PEOPLE

WHO has replaced **Stalin** and can draw a bigger crowd than the Pope? **Michael Jackson**, of course. The King of Pop was welcomed by thousands of shrieking fans in Prague as he arrived to kick off his "HIStory" world tour. As Jackson flew in, promoters erected a huge statue of the star on a hill where a monument to Stalin once stood. The flamboyant but reclusive Jackson emerged from his jet in a gold lamé and red outfit under a white parasol. Fans climbed trees and roofs to get a view of his motorcade, while thousands massed at the Intercontinental Hotel on the River Vltava for a glimpse of the star. The crowd was far bigger than the one that turned out for a recent visit of **Pope John Paul II**, locals said. "I saw him, he was on Wenceslas Square!" a teenage girl screamed Wednesday when Jackson left his hotel for a walk. He is on his first tour since he was cleared of child molestation charges by a U.S. court.

□

Paul McCartney says his wife, **Linda**, has made a full recovery after undergoing surgery for breast cancer in December. The ex-Beatle and his 53-year-old wife had stayed silent on the subject since she had a lump removed from her breast. But McCartney decided to break their silence following a British news report this week suggesting his wife was still seriously ill. McCartney, 54, said his wife's recovery had delighted her doctors. "She is doing incredibly well and all the doctors are amazingly pleased with her," he said. "Linda is the most positive person on earth. She's fantastic. That's the thing about this, you have to be positive."

□

The actor **Jeremy Irons** and his family were shaken but unhurt when their horse trailer overturned on a Welsh highway. Three cars collided when the trailer flipped near Cardiff, and four women were treated at hospitals and released. Unscathed were Irons; his wife, the actress **Sinead Cusack**; their children **Sam**, 17, and **Max**, 10, and a housekeeper, the police said. The family pony escaped from the trailer but was caught unharmed.

The singer **John Mellencamp** sees a positive side to his heart attack. "Having that heart attack really put things back into focus for me," he told an Indiana newspaper. "It sounds funny, but I've really been much happier since I had my heart attack." The attack two years ago was mild but, at 42, Mellencamp was a little young for it. He says he's eating a lot better now, but still can't quit cigarettes. "You can't just eat cheeseburgers and Kentucky Fried Chicken day in and day out, smoke four packs of cigarettes a day and drink 10 gallons of pop," he said. Mellencamp's latest album, "Mr. Happy Go Lucky," seems to reflect his new zest for life.

□

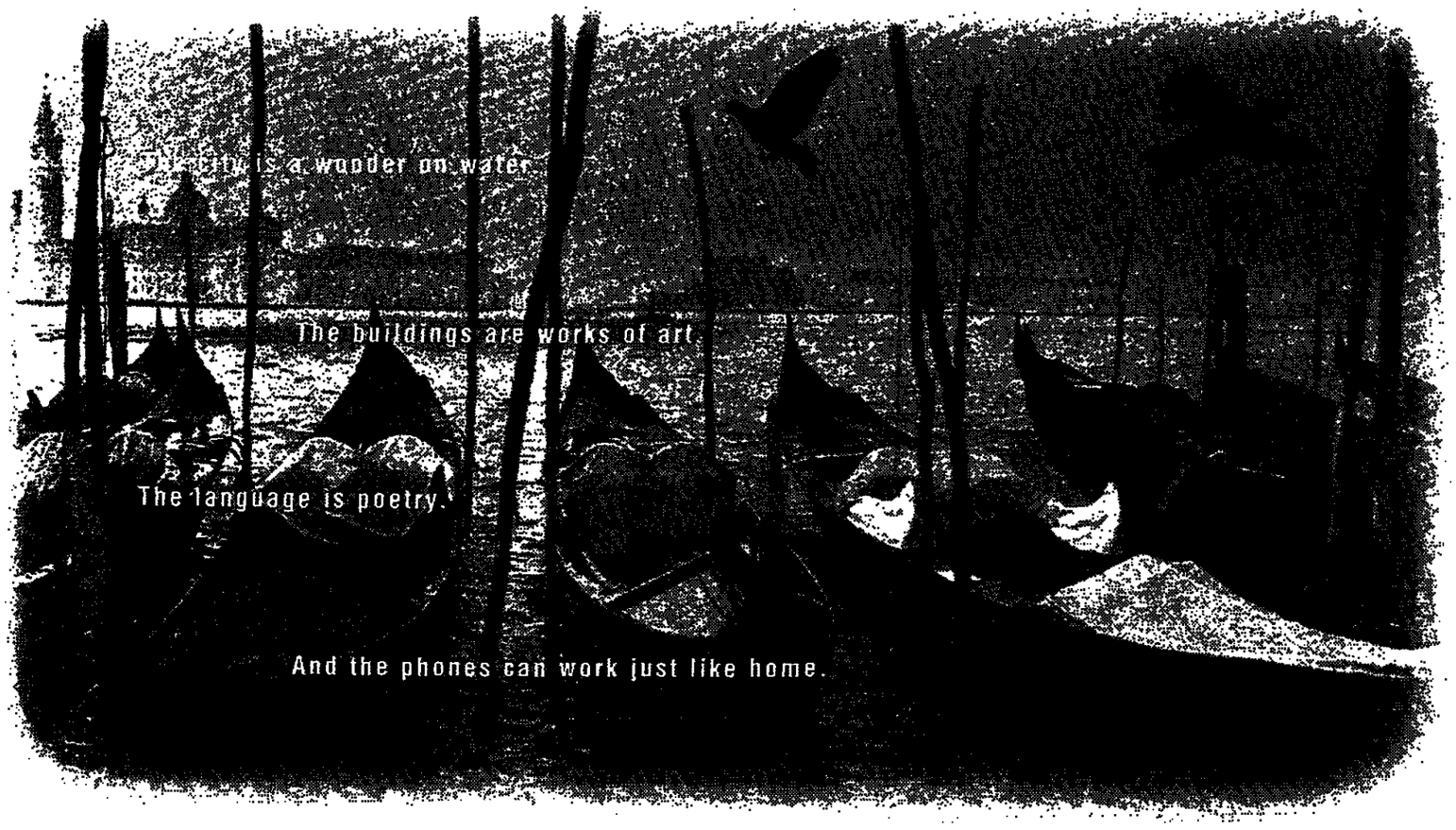
Donald Trump visited New York's highest court for a lawsuit involving one of his favorite subjects: money. Trump is involved in a court fight over the value of the land beneath the Ritz-Carlton Hotel in Manhattan. Trump co-owns the land and thinks it should be valued higher, setting up a fight with the owner-operators of the hotel, New York Overnight Partners. Lawyers argued the case before the state Court of Appeals. Trump said a decision in his favor could raise the annual rent from a few million to about $10 million. "It's high enough to make a trip," Trump said.

□

After 30 years in Washington, Senator **Alan Simpson** plans to retire to the classroom next year. Harvard's John F. Kennedy School of Government says the Wyoming Republican will teach a course on Congress and the media.

□

Two young French lovers wandered into a Las Vegas chapel and got married. Just for fun. **Yann Thomas** and **Celine Jeanroy** stopped laughing when the French police turned up four years later and informed them they were breaking the law because their marriage wasn't registered in France. What marriage? they asked. They had thought the vows wouldn't be binding if they weren't validated back home. The police were not amused, but there's a happy ending. The couple plans a real wedding next year — on their fifth anniversary.



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